

# SUPPORTING A SUSTAINABLE FUTURE IN CLEAN ENERGY

Through Diversity, Innovation and Collaboration



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# SUPPORTING A SUSTAINABLE FUTURE IN CLEAN ENERGY

Through Diversity, Innovation and Collaboration

**These are exciting times at SoCalGas. With the unveiling of our [H2] Innovation Experience project and the California Public Utilities Commission's (CPUC) approval of phase one of the Angeles Link clean hydrogen infrastructure project, we're making incredible strides in the evolution of energy.**

Every day, our dedicated teams work hard to advance our mission to build the cleanest, safest, most innovative energy company in America.

Our strategic priorities include many industry-leading innovations to accelerate California's clean energy transition, including evolving our infrastructure to expand the delivery of clean hydrogen and renewable natural gas (RNG). Innovation is also at the center of our longstanding operations, making the core work of today more effective and efficient.

SoCalGas' relationships with small and diverse business enterprises are essential to the achievement of our goals.

These firms reliably deliver agile solutions and help to drive successful outcomes for our business.

SoCalGas is committed to expanding the pool of qualified vendors through technical assistance programs and targeted outreach to help suppliers identify appropriate bid opportunities.

As SoCalGas continues to build and strengthen our relationships with small and diverse suppliers, we contribute to the vitality of our state and local economies, and generate greater interest and opportunity for others to have a role in the delivery of energy to over 21 million customers.

# CEO'S MESSAGE



“Supplier diversity has been, and will continue to be, a key link to our success as an enterprise.”

In 2022, SoCalGas achieved many significant milestones on its mission to be the cleanest, safest, most innovative energy company in America. We made substantial progress on ASPIRE 2045 — our goal to achieve net zero greenhouse gas emissions in our operations and delivery of energy by 2045.

We also supported the implementation of a renewable natural gas (RNG) standard and delivered nearly 5% RNG to core customers. With safety at the forefront, we set a new record for the lowest rate of employee injuries resulting in lost work time and initiated a safety culture improvement plan.

In the area of new innovations, we obtained California Public Utilities Commission (CPUC) approval for the design and development phase of the Angeles Link clean hydrogen infrastructure project and completed construction of our [H2] Innovation Experience in Downey. We also innovated existing processes, such as leak survey, to substantially accelerate the achievement of our operational targets.

SoCalGas' relationships with small and diverse suppliers helped to enable many key accomplishments. **In 2022 alone, SoCalGas spent more than \$1 billion with diverse business enterprises.** As we pursue our internal goals and support California's ambitious climate commitments, our relationships with diverse firms will strengthen our resilience and ability to deliver on our mission today and into the future.

Supplier diversity highlights from 2022 include:

- **42.9% of SoCalGas' spending was with diverse business enterprises**, exceeding the CPUC goal of 22% for the 30th consecutive year. We are optimistic about our ability to meet our 2025 target of 45% spend with diverse suppliers.
- **We collaborated with 578 diverse suppliers**, including diverse businesses who won bids to work on SoCalGas clean energy projects.
- **We increased diverse spend and vendor counts across several categories**, including with African American, Native American and LGBT (Lesbian, Gay, Bisexual and Transgender) business enterprises. We reached several hundred businesses through enhanced technical assistance and other programs to provide a bridge to business opportunities with SoCalGas today and in the future.

In this report, we are proud to share more around how SoCalGas is prioritizing and enhancing supplier diversity, and the many successes that have flowed from our regionally and nationally recognized efforts to identify diverse vendors, provide support for the certification of newer businesses and steer diverse firms toward appropriate bidding opportunities.

We are driven to achieve excellence in supplier diversity because it is the right thing for our business and the over 21 million people that we serve. Supplier diversity has been, and will continue to be, a key link to our success as an enterprise.

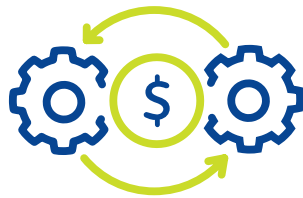
A handwritten signature in black ink that reads "SCOTTY".

**Scott Drury**  
CEO, SoCalGas

# 2022 SUPPLIER DIVERSITY HIGHLIGHTS

**\$2.41 BILLION**

TOTAL PROCUREMENT



**\$1.03 BILLION**

SPEND WITH DIVERSE FIRMS



**42.9%**

TOTAL PURCHASES WITH DIVERSE SUPPLIERS



**30 YRS**

CPUC GOAL SURPASSED



**89.8%**

OF OUR DIVERSE SUPPLIERS ARE BASED IN CALIFORNIA



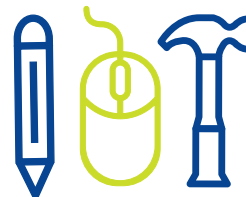
**578**

DIVERSE SUPPLIERS WORKING WITH SOCALGAS



**339**

DIVERSE PRIME SUPPLIERS



AMONG TOP 25 SOCALGAS SUPPLIERS ARE DIVERSE FIRMS

**146**

NEW DIVERSE FIRMS



**\$116.5 MILLION**

IN SCORE PROGRAM SPEND



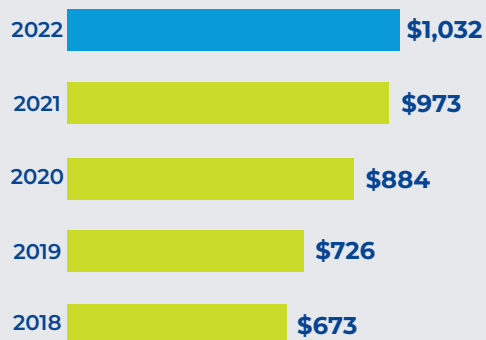
**2,360+**

SUPPLIERS RECEIVED TECHNICAL ASSISTANCE

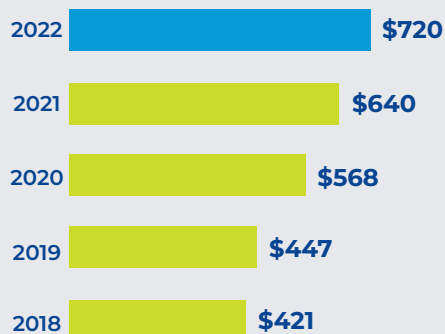


# 2022 PROCUREMENT RESULTS

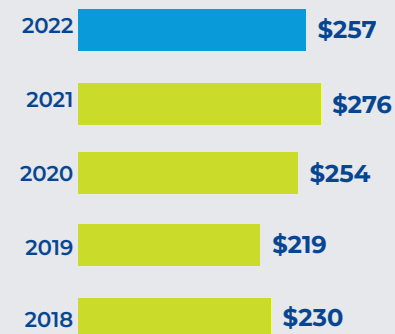
**TOTAL SPEND WITH DIVERSE SUPPLIERS**  
(\$ IN MILLIONS)



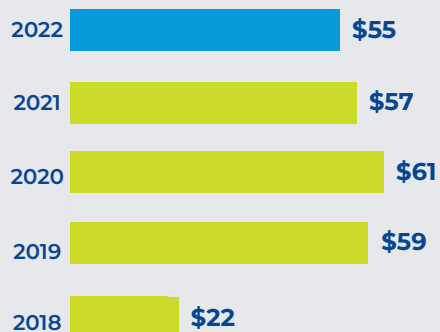
**MINORITY BUSINESS ENTERPRISES**  
(\$ IN MILLIONS)



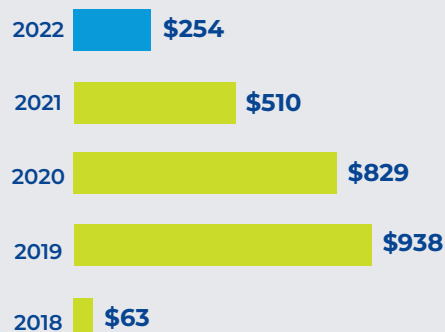
**WOMEN BUSINESS ENTERPRISES**  
(\$ IN MILLIONS)



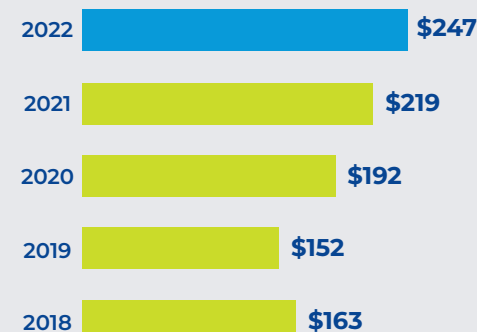
**DISABLED VETERAN BUSINESS ENTERPRISES**  
(\$ IN MILLIONS)



**LESBIAN, GAY, BISEXUAL AND TRANSGENDER BUSINESS ENTERPRISES**  
(\$ IN THOUSANDS)



**DIVERSE SUBCONTRACTING**  
(\$ IN MILLIONS)



# 2022 ANNUAL REPORT

As an integral part of SoCalGas' overall corporate strategy, supplier diversity promotes innovation through new products, services and solutions.



SoCalGas Vice President of Communications, Local Government and Community Affairs Andy Carrasco gives the keynote address at the American Indian Chamber of Commerce of California EXPO.

## 9.1.1 PROGRAM ACTIVITIES

### INTERNAL ACTIVITIES

#### Corporate Commitment

At SoCalGas, everything the company does is guided by three core values: Do the Right Thing, Champion People and Shape the Future. Its commitment to diversity, equity and inclusion (DEI) is one way SoCalGas lives its values. This commitment extends beyond SoCalGas' workplace and into the communities it serves. It also applies to with whom and how the company does business — the heart of SoCalGas' Supplier Diversity Program.

Since the formation of SoCalGas' Supplier Diversity Program more than 45 years ago, the company endeavors every year to establish and meet purchasing goals related to small and diverse firms. Like goals related to renewable natural gas procurement, customer satisfaction and operational excellence, supplier diversity goals are an enterprise priority. These goals are a component of executive and management employee compensation, which drives organizational accountability and creativity. Supplier diversity spend is regularly tracked and reported.

In 2022, SoCalGas launched ASPIRE 2045, a sustainability strategy that includes its goal to achieve net zero greenhouse gas emissions in the company's operations and

delivery of energy by 2045. ASPIRE 2045 goes beyond energy transition and includes goals around diversity and inclusion. Additional goals include targets related to spend and vendor counts for African American, Native American, LGBT and veteran business enterprises to support businesses where spend is historically lower. Through a robust portfolio of programs, the company increases diverse business participation and engagement.

#### Supplier Development/Technical Assistance

SoCalGas offers several virtual and in-person supplier development and technical assistance programs for diverse firms to become more competitive. Last year, more than 2,300 diverse suppliers participated in these programs, including:

- **How to Contract with Utilities** This was a collaboration with the Greater Los Angeles African American Chamber of Commerce (GLAAACC) for a four-part webinar on how to do business with utilities. The curriculum covered the importance of certification, how to respond to a Request for Proposal (RFP) and business opportunities in the utility space. Each attendee was also given an opportunity to engage one-on-one with various corporate decision makers.
- **Elevate Entrepreneur Institute** A four-part virtual class offered diverse firms insight on brand development, marketing, financial literacy and investments.

- **Safety Training** A two-part series to prepare suppliers for situations that could impact their daily business operations by addressing how responsive they are to business interruption. The training program also offered tips on building emergency preparedness plans.

- **Strategies for Human & Financial Management** A six-part virtual series aimed at advancing mid- and large-sized diverse businesses to the next level. Experts in human resources, marketing and finance offered support and training to help enhance processes and business fundamentals.

SoCalGas' supplier development programs experienced a 37% increase, from 1,722 participants in 2021 to 2,361 participants in 2022. This was the result of the ease of attending virtually and offering topics of interest to diverse suppliers, such as cybersecurity, access to capital and workplace trends.

### **Pipeline Construction Business Development Program**

In 2022, a new business development program was created to increase the number of minority-owned companies in the pipeline construction industry. This program will enable diverse companies to gain experience through mentoring and training, and allow them to subcontract with prime pipeline companies as well as bid directly for pipeline construction projects.

A key objective of this program is to develop qualified diverse firms in the natural gas pipeline construction industry. Pipeline construction services is one of SoCalGas' largest areas of spend, and currently there are a limited number of diverse companies competing to provide services in this field.

### **Smaller Contractor Opportunity Realization Effort (SCORE)**

The Small Contractor Opportunity Realization Effort (SCORE) program identifies and develops qualified small diverse suppliers with revenues under \$5 million and fewer than 25 employees. The program prepares small suppliers to participate in SoCalGas procurement opportunities.

These opportunities often lead to participation in competitive bids with similar companies. Upon winning contracts, SCORE contractors receive on-the-job training, mentoring and skills development.

Training is designed to enhance acumen in key areas, including cybersecurity, branding, access to capital, artificial intelligence and utilization of reporting systems.

In 2022, more than \$116.5 million was spent with SCORE contractors in engineering design, construction, transportation, fleet and inspection services. New opportunities were identified in the areas of paving, professional services, training, technical assistance, marketing, facilities services and construction management.



**“We rely on our external partners to help us drive positive change across our business in the areas of public, employee, contractor and system safety. I’m proud to collaborate with diverse business enterprises as part of this journey. These firms contribute high-performing individuals who offer unique perspectives and skills. Combining their experience and expertise with that of our internal teams optimizes delivery of our business objectives.”**

**Cedric Williams**, Chief Safety Officer, SoCalGas



## Mentoring

Supplier Diversity team members frequently mentor smaller diverse firms by introducing them to key decision makers and buyers at SoCalGas and guiding them through the utility procurement process. Mentorship promotes success and innovation in product offerings, development and business execution.

In 2022, Supplier Diversity collaborated with other SoCalGas departments and community-based organizations (CBOs) to mentor diverse firms through supplier showcases, matchmaking sessions, individual coaching and networking. Some of the work included developing comprehensive capability statements and practice sessions to prepare suppliers for presentations with key decision makers.



SoCalGas Supplier Diversity Champions from Supply Management, Facilities and Pipeline Integrity participate in business matchmaking sessions with Latina business owners at the National Latina Business Women Association — Inland Empire's Latina BizCon.

## DOTY BROTHERS CONSTRUCTION COMPANY

# A relationship spanning 36 years

Few firms can claim a 36-year working relationship with SoCalGas. Doty Brothers Construction Company is one of them.

Henry Barber, president of the Hispanic-owned general engineering contractor, estimates the 88-year-old company has completed over 7,000 projects for SoCalGas since 1987. That work has included natural gas transmission pipeline repairs and relocations, installation of pressure-limiting stations and high-pressure gas distribution pipeline installations.

“One of the benefits of such a long relationship is that SoCalGas gets a consistent, quality product for their customer base. For Doty Brothers, it’s helped us stay in business, remain profitable and provide good-paying jobs,” Barber says, adding the Norwalk, Calif.-based company has 360 employees.

The relationship with SoCalGas has helped Doty Brothers develop its own subcontractor program with Hispanic, African and Native American and LGBTQ+ suppliers. Doty Brothers also created a supplier training program that mirrors SoCalGas’, focused on workplace safety, management training and mentoring.

Doty Brothers recognizes the value of supplier development, having been selected to participate in UCLA’s



Gas Division Operations Manager Stanley Shaw (left) and President Henry Barber

Management Development for Entrepreneurs program as a recipient of a SoCalGas scholarship.

“We’re always looking for new diverse suppliers and businesses to work with. It goes back to sharing a common goal – supplier diversity. It’s one of the things SoCalGas does well,” says Barber. “We want to continue helping SoCalGas increase its diverse spend and develop more diverse suppliers. It’s the right thing to do and it’s good for business. It’s good for everyone.”

### **Supplier Relationship Management**

SoCalGas' Supplier Relationship Management (SRM) program strives to optimize suppliers' performance through safety, quality and diverse subcontracting.

SRM has led to more open dialogues, customized process improvements and increased cost savings with the company's larger prime diverse suppliers. In 2022, several larger prime suppliers worked with diverse companies to provide focused support with the goal of preparing them for expanded roles, including prime contracting opportunities. Through collaboration with internal teams, prime suppliers and subcontractors, the SRM program is proactive with prime suppliers for timely payment to diverse subcontractors.

### **Supplier Diversity Business Showcases**

The business showcase is a platform for diverse suppliers to present their products and



SoCalGas Director of Supply Chain and Diverse Business Enterprises Lily Otieno (center) serves on a panel to discuss procurement opportunities for women in the utility industry at the National Association of Women Business Owners - California Propel Your Business Conference.

services and forge new relationships with SoCalGas prime suppliers.

In 2022, SoCalGas' Fleet, Facilities, Environmental Services and Major Projects teams came together for two large showcases, attracting more than 200 attendees. At one showcase event, over 125 participants presented their capabilities in design, surveying, project management, construction, clean energy, building maintenance, engineering, IT (Information Technology) services, data management and more. These showcases are excellent networking opportunities to expand the company's diverse supplier base.

### **Meet the Primes**

SoCalGas' Meet the Primes events unite prime and diverse suppliers with the goal of exploring potential business partnerships.

The event begins with SoCalGas reaffirming its commitment to supplier diversity and the importance of connections between prime suppliers and subcontractors. The program includes panel discussions, workshops and matchmaking appointments.

In 2022, Meet the Primes was held virtually for the third straight year. Over 200 suppliers participated to showcase their capabilities in the areas of fleet, facilities, engineering, IT, gas transmission, gas distribution and construction services.



“ **Successfully navigating California to a clean energy future will require bold thinking. Bold thinking is at the core of transformative initiatives at SoCalGas, like Angeles Link — our plan to bring a clean hydrogen infrastructure to Southern California. Bold thinking is also at the heart of ASPIRE 2045 – SoCalGas' goal to be net zero in our operations and delivery of energy by 2045. Bold ideas require innovation to execute. We are privileged to work with so many skilled and dedicated small and diverse vendors, and remain committed to enhancing these relationships.** ”

**Maryam Brown**, President, SoCalGas

## ARIZONA PIPELINE COMPANY

# Following SoCalGas' example

Arizona Pipeline Company's work with SoCalGas has done more than contribute significantly to the underground construction company's growth. It's provided the disabled veteran- and woman-owned firm an example of how supplier diversity should be done.

The Hesperia, Calif.-based firm has collaborated with SoCalGas since 2013 when it was contracted to inspect distribution gas risers in the Los Angeles and Inland Empire areas. Two years later, it was awarded a second contract to replace aging natural gas pipelines, which led the company to hire 150 employees. Today, more than 20% of Arizona Pipeline's 900 employees support SoCalGas projects.

"The work we're doing for SoCalGas has expanded our customer base and that's big for us," says David Syfrig, Arizona Pipeline president and the third generation to own and manage the company, which operates in California, Arizona and Nevada. "It's also helped us learn how SoCalGas does things and how to improve our processes."

"Plumbing and paving are two big spend areas for us," explains the U.S. Navy veteran. "Programs like SoCalGas'



Vice President Ernie Bernard (left) and President David Syfrig

'Meet the Primes' help us find diverse suppliers in those areas. That's increased our diverse spend across the board and helps SoCalGas meet its supplier diversity goals."

That mutually beneficial relationship is what makes SoCalGas "one of those companies you really want to collaborate with," says Syfrig. "They're contractor friendly and always asking how they can help us. And, they lead by example."

## Supplier Segmentation Strategy

The Supplier Segmentation Strategy provides a customized approach for technical assistance, mentoring and on-the-job training opportunities. The strategy aligns assistance and development opportunities with suppliers' needs by placing diverse suppliers into four categories:

- **Discover** Within this category, SoCalGas identifies new suppliers providing goods and services in traditionally low-utilization categories through outreach efforts.
- **Develop** This category targets small companies with less than \$5 million in SoCalGas spend who might benefit from programs such as SCORE, development of strategic growth plans, mentoring and training opportunities.
- **Grow** For businesses in this category, the focus is on building capacity and sustaining growth to transition a business from a SoCalGas subcontractor to a prime contractor (businesses with SoCalGas spend between \$5 million to \$10 million).
- **Sustain** In this category, the company focuses on building and maintaining long-term relationships with strategic partners that offer unique benefits, such as competitive pricing, reduced risk through industry experience and best industry practices.

## Contractor Safety Congress

SoCalGas' annual Contractor Safety Congress was hosted virtually for the second consecutive

year due to the COVID-19 pandemic. The 2023 event is expected to be held in-person.

The half-day event attracts over 200 large and small suppliers and features panel discussions with SoCalGas senior leaders. These panel discussions include an overview of effective safety management systems and an open forum to answer suppliers' questions.

In 2022, the event included several safety workshops on topics such as Safety Forward (SoCalGas' safety culture improvement initiative), Advancing Our Safety Culture Together, Safety Event Learning and Office Safety.

## Supplier Diversity Champions

Supplier Diversity Champions are SoCalGas employees who advance potential contracting opportunities with diverse suppliers. These champions take part in introducing diverse business enterprises to other SoCalGas business units and activities to advance supplier diversity.

In 2022, the program team launched several new strategies to identify new diverse businesses and increase transparency for contract opportunities. Over 80 SoCalGas champions met on a virtual platform to discuss opportunities in janitorial services, fleet, paving services, environmental services, pipeline construction services and more.

## Supplier Payment Programs

SoCalGas recognizes the importance of timely payments. Several programs are available to diverse suppliers for expedited payments and



Attending Southern California Minority Supplier Development Council's B3 Conference + Expo are (from left) Jae Joo, Victoria Leonido, Sandra Hrna, Christine Keith, Michelle Chieks, Joe Chow, Vaughn Williams, Anne Muchiri and Lynn Greenwade.

quick resolution of any payment discrepancies, including:

- **Supplier Quick Pay Program** SoCalGas offers electronic payments with modified payment terms of net 15 days to smaller diverse firms with \$5 million or under in annual revenue and no more than 25 employees. In 2022, 101 diverse firms were enrolled in this program.
- **Accounts Payable** Suppliers can utilize SoCalGas' SAP Ariba system or contact an Accounts Payable representative directly via email for status of pending invoices.
- **Supplier Relationship Management** Participants can work through SRM to address issues such as late payments, performance and contracts.



Onsite at a SoCalGas Gas Infrastructure Protection Program (GIPP) project in Seal Beach are (from left) Gas Operations/Pipeline Safety Project Manager Laura Gomez, Supplier Diversity Manager Joe Chow, Albert Tene of Access General and GIPP Inspector Marco Baruch.

- **Supplier Diversity Team** Advisors are available to answer questions about payments, performance and more.
- **Late Payment Resolution Team** A team comprised of representatives from Procurement, Supplier Diversity and Accounts Payable collaborate to resolve late payments.
- **Bank of America Mastercard** SoCalGas leverages the credit card program for quick payment of small vendor purchases.
- **Invoice Processing Education** Representatives from Accounts Payable conduct invoice processing education workshops for current and potential vendors to heighten awareness around error-free invoicing to avoid delayed payments.

## Major Projects

SoCalGas' Major Projects team worked diligently throughout 2022 to advance strategic objectives and help diverse businesses play a key contributing role. The Major Projects team is responsible for large construction projects, including the Pipeline Safety Enhancement Plan (PSEP), compressor station modernization, pipeline integrity, natural gas vehicle (NGV) fueling stations, RNG and clean hydrogen-related projects.

Some activities include relocation, replacement and testing of natural gas transmission pipelines; modernizing compressor stations; replacing third-party owned, aging master meter/sub-meter energy distribution systems at mobile home parks; and constructing NGV fueling stations and RNG facilities. All of these projects are critical to SoCalGas' ability to provide safe and reliable service to customers.

In 2022, new opportunities were identified for diverse suppliers to work in conjunction with SoCalGas to play a role in Southern California's transition to a clean energy future. Diverse firms won bids to work on several hydrogen pilot projects, including construction of a hydrogen production system for a transit authority and the [H2] Innovation Experience.

To provide further insight around innovations such as a clean hydrogen infrastructure, the Supplier Diversity team held workshops, Meet the Primes and community forums that

included discussions with SoCalGas' Chief Clean Energy Innovations Officer Neil Navin about new projects. The types of services, suppliers and contractors that will be needed to develop this energy infrastructure were explored.

## Ethnic/Community Media

During the year, SoCalGas worked with ethnic/community media to communicate natural gas safety, company programs, and other important messages to multicultural audiences, spending 46.16% of its media budget with ethnic media (33.36% on Hispanic and 12.80% on Asian media).

Customer outreach activities for Hispanic, Chinese, Vietnamese, Korean and Filipino audiences included: five social media networks (Facebook, Instagram, Twitter, LinkedIn, YouTube) including display and video assets; one Korean Live Event (Chimaek Festival), one OOH (Out of Home) media network, one digital OOH network; four print publications (*Korean Times*, *Ngong Viet*, *Epoch Times*, *Vida*), three radio stations (KLVE, CALI, KRDC); one streaming radio station (Pandora); one TV network (Telemundo); one streaming TV network (Telemundo); programmatic Over-the-Top (deploys across a variety of devices); programmatic Online Video (deploys across a variety of streaming networks); programmatic Connected TV (deploys across a variety of connected TV networks); programmatic display (deploys across a variety of websites); and



“At SoCalGas, our core values are: *Do the Right Thing, Champion People and Shape the Future. Living these values each day is fundamental to creating a culture of belonging and inclusivity. The achievement of our business goals and objectives is due not only to our pool of talented and committed employees of all backgrounds and life experiences, but also to our incredible partnerships with diverse suppliers. Together through commitment, hard work and a constant focus on safety and innovation, we are leaders in the transition to a clean energy future.*”

**Jeff Walker**, SVP, Systems & Technology & Chief Diversity Officer, SoCalGas

TV partnerships and media talent to create awareness and advocacy through station-produced vignettes.

Campaigns included: Medical Baseline, Safety, California Alternate Rates for Energy (CARE) Reboot, Winter Safety, Ventura Media, Energy Efficiency Residential, GoGreen Business, Energy Efficiency Small and Medium Business, Winter Safety and Summer Safety.

### Communications and Awareness

In 2022, the Supplier Diversity team joined the Media Committee to increase awareness of SoCalGas' supplier diversity outreach activities and investments. Expanded media coverage allowed the company to advance supplier diversity and share its commitment to opportunities with diverse suppliers.

Supplier Diversity activities and diverse supplier success stories were published in local newspapers, online and on SoCalGas' intranet site and website.

### Monitoring/Auditing/Reporting

Several tools are used to track, analyze and evaluate diverse spend progress, including:

- **Dashboard** Dashboards display SoCalGas' diverse direct procurement and subcontracting results by department on a monthly and year-to-date basis.
- **Subcontracting portal** This tool is utilized by prime suppliers to track and report their monthly subcontracting spend.

- **Subcontracting audit** An independent, diverse firm annually validates diverse subcontracting expenditures presented by prime suppliers.
- **Ad-hoc analysis and reporting tools** A suite of tools provides deeper analysis and understanding of spending trends, goal setting and forecasting.

### Strategic Sourcing Successes

The Supplier Diversity team is included in all strategic sourcing and major RFP events to enhance SoCalGas' diverse purchasing activities, increase efficiencies and lower operating costs. In 2022, the team partnered with Supply Management and business units, which led to several contracts, including:

- **Facilities Capital Programs** Seven RFPs were issued for renovating several SoCalGas bases. The total value of the contracts was over \$20 million. In each competitive bid, at least six diverse firms were included. Two diverse firms were awarded contracts.
- **Facilities Operations** Two RFPs representing approximately \$21 million were issued for janitorial services and landscaping services. Of the five bidders invited for the janitorial services contract, four were diverse suppliers; a \$15 million contract value was awarded to two diverse firms. Of the four bidders invited for the landscaping RFP, three were diverse suppliers and contracts totaling \$6 million were awarded to two diverse firms. Other

RFPs issued for facility operations were for electrician, emergency generator, heating, ventilation and air conditioning (HVAC) and sweeping services and included diverse bidders with the final contract awards pending. A sweeping services contract was also awarded to a diverse supplier.

- **Pipeline Safety Enhancement Plan** Several RFPs were issued in support of PSEP, including:

**Pipeline Maintenance Project** An RFP was sent to seven pipeline construction contractors, including a diverse firm. The contract was awarded to a non-diverse contractor that committed to a goal of 43% diverse spend.



SoCalGas presented scholarships to two students at the American Indian Chamber of Commerce of California's Native American Heritage Month luncheon. Representing SoCalGas was Supplier Diversity Project Manager Vaughn Williams (second from left).

### **Environmental Monitoring Project**

A \$15 million contract was awarded to a woman-owned firm to support environmental monitoring, permitting and reporting of various environmental disciplines.

- **Appliance Parts** Three diverse vendors out of six firms were included in this competitive bid. Of the two awardees, one was a diverse supplier.
- **Nuts, Bolts and Gaskets** Seven bidders were included in a competitive bid, and three were diverse firms. The contract was awarded to a Native American business.
- **Compressor Modernization** An RFP for electrical installation was issued to six bidders, four of which were diverse suppliers. Of the three bidders awarded contracts totaling \$8 million, two were diverse firms.
- **Maintenance, Repair and Operations Materials** Four firms were invited to bid on an RFP with an estimated value of \$15 million. Contracts were awarded to an African American firm and a woman-owned business.

### **Supplier Diversity Team**

The Supplier Diversity team leads SoCalGas' supplier diversity initiatives, engaging with internal and external organizations to

## **PRECISION CONSTRUCTION SERVICES**

### **Climbing to new heights**

Precision Construction Services has notched several company firsts, including building rocket landing pads and working on SpaceX's hyperloop – and winning its first utility client, SoCalGas.

“Utilities have become a foundational part of our business,” says Erik Wright, one of three partners who founded the firm in 2013. “SoCalGas helped us understand the needs of investor-owned utilities and how to best serve them.”

The Native American-owned design-build, general contracting and construction management firm won its first SoCalGas contract in 2020 renovating and upgrading the energy efficiency of the company's Goleta administration building in Santa Barbara. Precision Construction has since completed five additional projects. Among three current assignments is a LEED-certified expansion and modernization projects.

The SoCalGas projects have helped the San Luis Obispo, Calif.-based firm – one of *Inc.* magazine's 2022 fastest-growing private companies – quadruple its workforce to 48 and add satellite offices in Los Angeles and San Diego. SoCalGas also has become a catalyst driving Precision Construction's supplier diversity efforts.



*From left, company founders Erik Wright, Jared Malapit and Karl Vaillancourt*

About 30% of the company's subcontractors are minority-owned, and Precision Construction is continually pushing to increase that percentage through outreach and training programs. In addition, Precision Construction's in-house internship program focuses on developing talented women, minority, and LGBTQ+ construction professionals.

“This is making us a stronger team, not only for SoCalGas but for all our clients,” Wright adds.

identify and promote diverse firms. During the year, Supplier Diversity:

- Developed annual diverse supplier procurement business plans for SoCalGas management teams and reviewed and monitored results
- Participated in strategic sourcing initiatives for SoCalGas' major capital projects
- Presented supplier diversity objectives and key business drivers to business units and tracked their goals and performance
- Organized and hosted supplier showcases, Meet the Primes and other events to highlight diverse contractors
- Identified, developed and evaluated contract readiness of qualified diverse suppliers
- Worked with diverse firms to obtain California Public Utilities Commission certification
- Arranged meetings with Procurement and internal clients
- Organized and participated in technical assistance programs, virtual and in-person conferences, seminars and business networking events
- Monitored and engaged with suppliers who are not meeting their subcontracting commitments
- Engaged in processes that facilitate prompt payments

- Worked with CBOs to place articles in their newsletters regarding SoCalGas' Supplier Diversity Program, related initiatives and sourcing opportunities with SoCalGas

## EXTERNAL ACTIVITIES

### Supplier Development/ Technical Assistance

Relationships with business and community organizations extend SoCalGas' reach into diverse business communities to identify, recruit and help diverse firms grow and become more successful for upcoming procurement opportunities.

In 2022, collaborations with community organizations provided training in:

- Cybersecurity awareness
- Access to working capital
- Creating a viable marketing plan
- Becoming more effective leaders
- Leveraging credibility for success

Additional activities included:

- Joining with GLAAACC and sponsoring an in-person session with buyers, business unit leaders and potential suppliers seeking to do business with SoCalGas. This session provided an opportunity for both networking and learning how to forge relationships.
- Collaborating with the Asian Business Association – Los Angeles (ABA-LA) to present the virtual seminar, "Selling Your



“ SoCalGas' significant achievements in supplier diversity are the result of our ambitious goals and innovative programs. Through our mentoring programs, several new and existing diverse suppliers have expanded their capabilities and are performing services in areas such as construction, engineering and information technology. Their expanded capabilities are contributing to many important projects, initiatives and goals. Our diverse suppliers are important partners to build the cleanest, safest, most innovative energy company in America. ”

**Sandra Hrna**, VP, Supply Chain & Operations Support, SoCalGas



Business: What You Need to Know,” which attracted 69 participants

- Working together with the Council for Supplier Diversity to identify 41 High Performance Suppliers (HPS) and sponsoring a workshop on “Managing People: Leveraging the Human Asset”
- Teaming up with Veterans In Business (VIB) Network to present the Veteran to Veteran (V2V) series. This was a six-month, in-depth business training program on various subjects, such as contracting, marketing, finance, back office and staffing for 12 established veteran business enterprises
- Presenting a webinar with Southern California Edison, Pacific Gas and Electric Company and San Diego Gas & Electric Company and the American Association of Blacks in Energy (AABE) to discuss how emerging technologies and new energy policies will impact communities of color
- Sponsoring the American Indian Chamber of Commerce of California’s (AICCC) Tribal Business Empowerment Journey, which provides Native American entrepreneurs with advice on starting and maintaining a business
- Sponsoring one of SoCalGas’ diverse suppliers to Southern California Minority Supplier Development Council’s (SCMSDC) CEO Academy, a nine-month executive leadership program designed to help

minority business enterprises expand beyond core capabilities

- Developing a corporate roundtable designed to bring together corporate supplier diversity leaders from a broad spectrum of industries to create programming and potential contracting opportunities for aspiring suppliers
- Awarding 10 scholarships to UCLA’s Management Development for Entrepreneurs program, which helps business owners enhance their management skills, develop a business improvement plan and gain access to the greater UCLA Anderson School of Management alumni network
- Presenting “Familiarizing Your Business Finances” in association with ABA-LA, where more than 30 attendees learned how to better manage their money and take advantage of tax breaks
- Developing a safety and CPR training for suppliers performing field services, which attracted over 40 attendees who received CPR certification through this program
- Launching a cybersecurity awareness series designed to educate suppliers on hijacking and ransom scenarios that could affect their business
- Sponsoring development programs for Women’s Business Enterprise Council-West (WBEC-West) Platinum Supplier Program,



*SoCalGas sponsored the American Indian Chamber of Commerce of California EXPO, which brought together corporations, government agencies, tribes and others seeking Native American-owned businesses for their supply chain. Supplier Diversity team members attending were (from left) Joe Chow, Anne Muchiri, Vaughn Williams and Vice President of Supply Chain and Operations Support Sandra Hrna.*

ABA-LA Business Advocacy Small Business Workshop, GLAAACC Value Proposition Workshop and VIB Network Mentoring Business Protégé Program

- Sponsoring various workshops with CBOs to educate small diverse business owners on business plan writing, bookkeeping, capabilities statement development, social media, branding, business tax filing and CPUC certification
- Sponsoring a virtual SCMSDC fireside chat with the Joint Utilities Council that provided information on how to do business

with utilities and upcoming contracting opportunities at participating utilities

- Collaborating with the National Association of Minority Contractors (NAMC) on a workshop on “Perfecting Your Elevator Pitch” and sharing supplier diversity initiatives at NAMC’s general membership meeting

### External Outreach

In 2022, the Supplier Diversity team collaborated with 32 organizations and attended over 40 virtual and in-person events to meet and identify diverse suppliers for potential business opportunities. The team participated on corporate advisory boards, committees and served on panels as keynote speakers sharing the company’s supplier diversity commitment, sustainability strategy and the role of diverse firms in supporting SoCalGas’ mission to build the cleanest, safest, most innovative energy company in America.

The visibility of the Supplier Diversity team was enhanced at the national level through its collaboration with the US Pan Asian American Chamber of Commerce (USPAACC). This partnership led to developing relationships with new diverse suppliers in construction and cybersecurity.

### Community-Based Organizations Forum

SoCalGas hosted a CBO forum to educate community partners on the company’s DEI commitment and plans to collaborate with

small and diverse businesses to execute ASPIRE 2045, the company’s sustainability strategy and commitment to reduce greenhouse gas emissions in its operations and delivery of clean energy by 2045.

The event provided community leaders the opportunity to share their thoughts on partnerships, inclusion and contract opportunities for their constituents. Following the event, several organizations initiated strategic sessions related to contracting, networking and fostering strong relationships with Supply Management and Supplier Diversity.

Together with other companies, SoCalGas was the lead corporation for WBEC-West’s “pitch” competition for women-owned black business enterprises where the company mentored and developed 30 suppliers on perfecting their business pitch.

### African American Business Enterprises

As part of SoCalGas’ DEI commitment, a strategy is in place to increase African American supplier participation over the next five years; the company is on track to achieve this target.

In 2022, spend and vendor count goals in the African American category were \$120 million and 71 vendors, respectively — representing a 10% increase from \$86.4 million spend and 60 vendors in 2021.

Based on year-end results with African American business enterprises, SoCalGas met and surpassed the 2022 goals with purchased



SoCalGas presents a \$100,000 check for a STEM scholarship to the Greater Los Angeles African American Chamber of Commerce’s Educational Fund. From left, GLAAACC’s Eric Boyd and Kimberly Carter with Trisha Muse and Joe Chow from SoCalGas.

goods and services totaling \$127.9 million from 71 African American vendors. This represented 5.32% of total spend, compared with 4.76% of total spend in 2021.

During the year, Supplier Diversity:

- Identified and developed current and potential new suppliers that have the capacity and skill set to do business with SoCalGas
- Utilized existing programs, outreach methods and tools to increase African American contracting opportunities and participation in the company’s technical assistance programs

- Collaborated with Supply Management and SoCalGas business units to create pilot programs that increase RFP participation and contracts through sole sourcing and competitive bids for African American companies
- Set goals and tracked the results on an annual basis of African American firms that are participating in technical assistance, RFPs and winning contracts
- Sought opportunities to expand the company's SCORE program, which includes smaller contracting opportunities and training for smaller-sized businesses

In addition, Supplier Diversity designed a business development program to develop underserved minority construction companies that can expand into pipeline construction with the help of our major primes (see page 6).

### Disabled Veteran Business Enterprises

Collaboration continued with VIB Network to provide mentoring assistance, workshops and networking for disabled veteran business enterprises (DVBEs). SoCalGas sponsored the organization's in-person conference, where more than 300 DVBEs sought to connect with Supplier Diversity for a meaningful conversation on mentoring, development and new business opportunities.

Supplier Diversity representatives guided suppliers by identifying key qualifications for upcoming company opportunities.

## OVER J CONSULTING

# Engineering greater possibilities

Over J Consulting CEO Dipo Olatunji credits SoCalGas for making his dream come true.

In 2016, two years after starting his engineering and technology consulting company, the Lagos, Nigeria native won his first contract with SoCalGas – a process improvement project for Supply Management.

Since then, the Los Angeles-based firm has completed approximately 40 projects with the utility, including training and simulation and inventory log digitalization.

Over J Consulting has also been involved with a compressed natural gas/liquefied natural gas (CNG/LNG) pipeline project, leak detection repair, and natural gas capture program as part of SoCalGas' efforts to reduce its carbon footprint by 2045. Over J Consulting also works with the Emissions Strategy Program on efforts to contribute to the emission reduction goals for SoCalGas in various projects and process improvement strategies.

As a result of these contracts, the Black-owned company has added 30 engineers, business intelligence and analytics specialists and instructional designers.

"SoCalGas helped us grow from a small, one-person business to one supporting 30 other families," says Olatunji, a mechanical engineer and former SoCalGas employee



Over J Consulting CEO Dipo Olatunji

who spent 10 years working in Gas Engineering. "They've championed our growth."

SoCalGas programs, including SCORE boot camps, have supported Over J Consulting's development. Olatunji also received a SoCalGas scholarship to the UCLA Management Development for Entrepreneurs program.

"Today, we're seen as a solutions-based engineering company solving problems with technology," says Olatunji, who was nominated by SoCalGas for a 2022 Southern California Minority Supplier Development Council Supplier of the Year Award. "SoCalGas helped us become a player in this industry."



*Supplier Diversity team members from Sempra Energy attend the Veterans In Business Network's National Conference. From left Daniel Castillo, SDG&E; Meredith Obeso, SDG&E; Graciela Hastings, Oncor; Nhu Tran, SDG&E; and Anne Muchiri, SoCalGas.*

## Native American and Lesbian, Gay, Bisexual and Transgender Business Enterprises

Increasing spend with Native American and LGBT businesses has long been a focus for SoCalGas. In 2022, a goal was set to increase the company's combined spend and number of vendors with Native American and LGBT enterprises by 10% — representing \$76 million spend and 23 vendors.

In 2022, SoCalGas' efforts yielded positive outcomes with Native American and LGBT businesses. SoCalGas had a combined spend of \$79.58 million with 28 Native American and LGBT businesses. This represents 3.31% of total spend, up from 3.02% of total spend in 2021.

To achieve the LGBT target goals, the company engaged with local and national

LGBT chambers and met with over 200 LGBT business enterprises.

SoCalGas collaborated with the Los Angeles Gay and Lesbian Chamber of Commerce (LAGLCC) on a series of virtual workshops that included training on branding, accounting, how to deliver a strong value proposition and business development.

SoCalGas also served on several panels to offer guidance and training on how to do business with the company. Collectively, these events attracted nearly 120 LGBT suppliers in the Greater Los Angeles area, many of which were also seeking certification. The company participated in the National Gay & Lesbian Chamber of Commerce's International Business & Leadership Conference, which attracted over 1,500 LGBT businesses. SoCalGas shared information on the certification process and how to navigate contracting with a utility.

In addition, SoCalGas joined other utilities on an LGBT supplier workshop, where suppliers learned about contract opportunities in construction and engineering, and had an opportunity to present their capabilities and receive constructive feedback.

A Supplier Diversity team member serving on LAGLCC's board of directors worked with other board members to implement an Advisory Council specifically designed to assist in strengthening the organization's infrastructure, membership and programming.

## Supplier Recognition

Every year, SoCalGas shines a spotlight on diverse suppliers for their outstanding performance through nominations for internal, local and national awards. These nominations are an opportunity to publicly thank suppliers for their contributions and reiterate our commitment to supplier diversity.

SoCalGas promotes diverse suppliers on its website and intranet, in supplier diversity materials and at supplier recognition events.

At SCMSDC's B3 Conference + Expo featuring Supplier of the Year Awards, three SoCalGas-nominated diverse firms received recognition — Over J Consulting (Class I), Elite Auto Network (Class II) and GDM (Class III).



*SoCalGas-nominated Over J Consulting received a recognition award at Southern California Minority Supplier Development Council's B3 Conference + Expo featuring the Supplier of the Year Awards. From left, SCMSDC President Virginia Gomez, Over J Consulting CEO Dipo Olatunji and SoCalGas Supplier Diversity Manager Joe Chow.*

# ORGANIZATIONS SUPPORTED BY SOCALGAS

- American Association of Blacks in Energy
- American Indian Chamber of Commerce of California
- Asian Business Association – Los Angeles\*
- Asian Business Association – Orange County\*
- Asian/Pacific Islander Chamber of Commerce and Entrepreneurship
- Black Business Association – Los Angeles
- California African American Chamber of Commerce\*
- California Asian Chamber of Commerce
- California Hispanic Chamber of Commerce
- Chinese American Construction Professionals
- Desert Business Association
- Greater Los Angeles African American Chamber of Commerce\*
- Langston Bar Association
- Latin Business Association\*
- Los Angeles Latino Chamber of Commerce\*
- Los Angeles LGBTQ Chamber of Commerce\*
- Long Beach Gay and Lesbian Chamber of Commerce

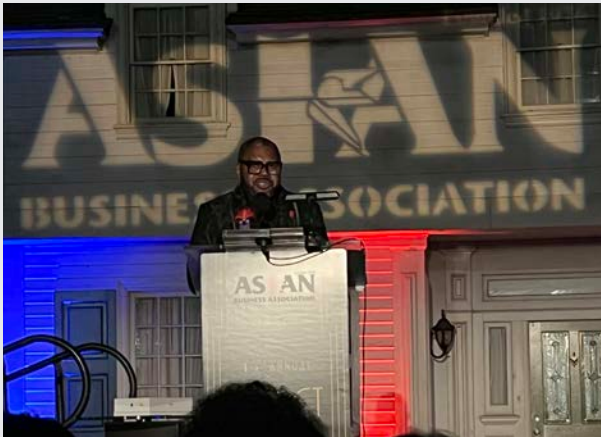


*SoCalGas Supplier Diversity Project Manager Vaughn Williams (seated, far right) serves on a "Mayoral Pitch" panel featuring Orange County mayors at the Asian Business Association – Orange County's BIZCON.*

- National Association of Women Business Owners – California
- National Association of Women Business Owners – Los Angeles\*
- National Gay & Lesbian Chamber of Commerce
- National Association of Minority Contractors – Southern California\*
- National Latina Business Women Association – Inland Empire
- National Latina Business Women Association – Los Angeles\*
- National Minority Supplier Development Council
- National Utilities Diversity Council\*
- Rainbow Chamber of Commerce
- Recycling Black Dollars
- Southern California Minority Supplier Development Council\*
- US Pan Asian American Chamber of Commerce
- Women's Business Enterprise Council – West\*
- Veterans In Business Network\*

\*Board position held by SoCalGas representative

# 2022 AWARDS



*SoCalGas Supplier Diversity Project Manager Vaughn Williams accepts Asian Business Association – Los Angeles' Advocate of the Year Award.*



*SoCalGas CEO Scott Drury (second from left) receives Southern California Minority Supplier Development Council's CEO Diversity Champion Award at the group's Leadership Excellence Awards Gala. Also pictured, Jae Joo, Trisha Muse, Joe Chow, Anne Muchiri and Vaughn Williams.*



*SoCalGas Supplier Diversity Manager Joe Chow receives the Latin Business Association's Supplier Diversity Advocate of the Year Award.*

## For its best practices and leadership in supplier diversity, SoCalGas received the following awards:

- American Indian Chamber of Commerce of California – Sponsorship Award
- Asian Business Association – Los Angeles Advocate of the Year Award
- Asian Business Association of Orange County – Corporate Partner of the Year Award
- Chinese American Construction Professionals – Appreciation of Support Award
- Greater Los Angeles African American Chamber of Commerce – Executive of the Year Award
- Latin Business Association – Supplier Diversity Advocate of the Year Award
- National Association of Minority Contractors – Arnice Lamb Legacy Award
- National Association of Minority Contractors Southern California – Major Corporate Partner of the Year Award
- Southern California Minority Supplier Development Council – CEO Diversity Champion Award
- Veterans In Business Network – Sponsorship and Engagement Award
- Women's Business Enterprise Council–West – Corporation of the Year

## 9.1.2 SUMMARY OF PURCHASES/CONTRACTS

SoCalGas worked with a total of 578 diverse suppliers, with 339 serving as prime suppliers (see Chart Addendums starting on page 36).

## 9.1.3 PROGRAM EXPENSES

Supplier diversity expenses included CPUC Supplier Clearinghouse program costs, technical assistance, capacity building events, office support services, consulting, supplier outreach, annual report production and other related expenses.

Expense Category	Expenses (in thousands)
Wages	\$598
Other Employee Expenses	\$39
Program Expenses	\$586
Reporting Expenses	\$33
Consultant Expenses	\$201
Other Expenses	\$79
<b>Total</b>	<b>\$1,536</b>



SoCalGas employees attend the Orange County Black Chamber of Commerce's tribute to Buffalo Soldiers Iron Riders. From left, Gil Soto, Julie Fermino, Cedric Williams, Neena Master, Tina Javid, Annie Ojior, Anne Muchiri, Larry Taylor, Juan Gonzalez and Mario Aguirre.

## 9.1.4 GOAL PROGRESS

Category	SoCalGas 2022 Results	CPUC 2022 Goals
Minority Business Enterprise (MBE)	29.9%	15.0%
Women Business Enterprise (WBE)	10.7%	5.0%
Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	0.0%	0.5%
Other 8(a)	0.0%	TBD
Disabled Veteran Business Enterprise (DVBE)	2.3%	1.5%
<b>Total</b>	<b>42.9%</b>	<b>22.0%</b>

In 2022, procurement with diverse suppliers reached more than \$1.03 billion, or 42.9%, of SoCalGas' total procurement. Here are a few highlights:

- For the 24th straight year, SoCalGas exceeded the CPUC's 15% minority business enterprise (MBE) goal, with spend totaling about \$720 million.
- Purchases with women business enterprises (WBEs) were surpassed for the 35th consecutive year, reaching \$256 million. This category represented over 10.7% of all procurement and services purchased by SoCalGas.
- Initiated business with 146 new diverse firms, totaling \$47.7 million
- Spent over \$127.9 million, or 5.32% of total procurement, with African American suppliers
- Achieved \$54.9 million in spend, or 2.3% of total procurement, with DVBEs
- Reached a combined spend of over \$79.58 million, or 3.31%, with Native American and LGBT suppliers

### Summary of Prime Contractors' Utilization of Diverse Subcontractors

	Minority Men	Minority Women	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Disabled Veteran Business Enterprise (DVBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Other 8(a)	Total Supplier Diversity Spend
Direct \$	\$496,047,457	\$70,491,368	\$566,538,825	\$187,044,397	\$31,691,913	\$167,958	\$0	\$785,443,093
Subcontracting \$	\$117,738,558	\$35,803,358	\$153,541,916	\$69,653,600	\$23,268,166	\$85,574	\$0	\$246,549,257
<b>Total \$</b>	<b>\$613,786,015</b>	<b>\$106,294,726</b>	<b>\$720,080,741</b>	<b>\$256,697,997</b>	<b>\$54,960,080</b>	<b>\$253,532</b>	<b>\$0</b>	<b>\$1,031,992,350</b>

Direct %	20.62%	2.93%	23.55%	7.78%	1.32%	0.01%	0.00%	32.65%
Subcontracting %	4.89%	1.49%	6.38%	2.90%	0.97%	0.00%	0.00%	10.25%
<b>Total %</b>	<b>25.52%</b>	<b>4.42%</b>	<b>29.94%</b>	<b>10.67%</b>	<b>2.28%</b>	<b>0.01%</b>	<b>0.00%</b>	<b>42.90%</b>

#### Total Procurement

\$2,405,458,473

Dollars and Percentages reflect rounding differences  
The procurement information provided is required pursuant to CPUC General Order 156

### 9.1.5 SUBCONTRACTORS

SoCalGas large prime contractors are encouraged to subcontract at least 43% of their spend to diverse businesses. A prime contractor's commitment to this goal is considered when awarding contracts in the RFP process.

Tier 2 level spend by 239 diverse firms was over \$246 million. So that prime suppliers meet the company's subcontracting requirements, Supplier Diversity:

- Requests all primes during the RFP process to complete a Subcontracting Goal Form and include names of diverse subcontractors for each bid
- Monitors prime suppliers with low diverse subcontracting results to discuss their submitted goals with them and requests detailed plans for improvement
- Verifies through signature on the subcontracting form that stated firms for subcontracting have been notified and will be utilized
- Develops and help diverse subcontractors by providing contracting opportunities, technical assistance, mentoring and coaching through supplier diversity and SRM programs
- Provides subcontractors with the visibility and experience needed to compete and win major bids against other large non-diverse contractors
- Holds quarterly strategy meetings with SoCalGas' largest prime suppliers and monitor their subcontracting goals
- Identifies subcontracting opportunities through meetings with Supply Management



## ZONES

# Sharing a commitment and paying it forward

Zones is not your typical diverse business enterprise. The global IT solutions provider has reached the pinnacle of success, operating in over 100 countries through its 2,000-plus employees and achieving \$2.4 billion in revenues. And the company's supplier diversity investments are on par with many of the large corporations it serves.

"We appreciate the doors that have opened through our minority business certification and we pay it forward by supporting the National Minority Supplier Development Council and its regional councils," says Zones' Manager of Supplier Diversity Kaycee Kiesz.

"Last year, we invested more than \$300,000 with NMSDC and affiliate councils, and our employees attended over 200 diverse networking and matchmaking events," she says, noting the company is a founding sponsor of the University of Washington Foster School of Business' Minority Business Executive Program.

These supplier diversity initiatives are in addition to the company's partnerships with nearly 100 diverse subcontractors, which perform an array of services including janitorial, IT and marketing.

SoCalGas awarded the Auburn, Wash.-based, Asian American-owned firm a three-year, multimillion contract in 2021



Manager of Supplier Diversity Kaycee Kiesz

for IT procurement, product fulfillment, staging and logistics, including hardware and licensing software, with six Zones employees staffing the account.

Zones' work is also supporting SoCalGas' mission to build the cleanest, safest and most innovative energy company in America.

"We're looking at how we can reduce shipments, become more efficient in configuring technology and optimize processes to reduce greenhouse gas emissions," adds Zones Vice President of National Sales Solutions Quentin Gayles. "We share a commitment to supplier diversity, sustainability and reducing our carbon footprint."

- Shares listings of diverse firms for prime suppliers' consideration for subcontracting activities and attend pre-bid meetings
- Meets with prime suppliers to provide training and access to SoCalGas' subcontracting portal and introduce them to diverse firms
- Shares monthly subcontracting results with Procurement and SoCalGas key stakeholders
- Works with diverse subcontractors to become CPUC Supplier Clearinghouse-certified
- Invites diverse contractors to participate in virtual business showcases so they can share their capabilities with prime suppliers and SoCalGas project managers

Many prime suppliers have realized the benefits of working with diverse firms and have begun their own supplier diversity programs.

## 9.1.6 COMPLAINTS

There were no formal complaints or lawsuits filed against SoCalGas regarding its Supplier Diversity Program.

## 9.1.7 DIVERSE SUPPLIERS IN UNDERUTILIZED AREAS

Over the years, SoCalGas has focused on increasing business with diverse suppliers in traditionally low-utilization categories, including legal, finance and other highly specialized areas. Efforts are paying off, thanks to targeted outreach, networking activities and participation in various industry events.

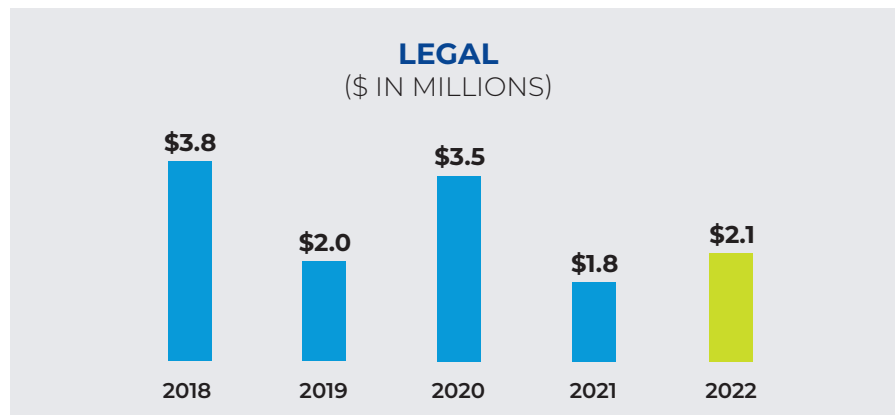
## Legal

SoCalGas' Law Department regularly seeks and engages with diverse firms to provide legal services in various areas, including commercial, employment, environmental, general and business litigation, personal injury, real estate and regulatory law. In addition, the department employed diverse resources for various support services, such as court reporting.

In 2022, SoCalGas' spend with diverse law firms totaled \$2.1 million, or 3.8%, of total legal spend. This is an increase of about \$300,000 from 2021.

Although significant outside counsel costs are incurred related to the 2015 Aliso Canyon facility natural gas leak, which dilutes overall spending with diverse firms as a percentage of overall legal costs, new goals were developed to engage diverse firms on other litigation matters.

SoCalGas' Law Department has networked with diverse leaders from leading companies, law firms and agencies through its participation in the California Minority Counsel Program Annual Conference. Several attorneys and Law Department staff are also involved with various local, regional and national diverse bar associations and other nonprofit organizations, either as board or advisory members, executive members, speakers and/or volunteers.



These associations and organizations include: Alliance for Children's Rights, Alliance College-Ready Public Schools\*, Asian Americans Advancing Justice (Los Angeles)\*, Association of Corporate Counsel\*, Bet Tzedek, Breathe LA, California Restaurant Association\*, Civil Justice Association of California\*, Child Educational Center\*, Clare I Matrix\*, Conference of California Public Utility Counsel\*, Constitutional Rights Foundation\*, Court Appointed Special Advocates for Children of Los Angeles, Counsel for Justice (pro bono arm of the Los Angeles County Bar Association\*), Habitat for Humanity of Greater Los Angeles, InnerCity Law Center\*, Legal Clinic of the Gay and Lesbian Center of Los Angeles, LA Family Housing, La Canada Unified School District's Diversity, Equity

Diverse Attorney Work Within Majority Law Firms		Total (\$)
Minority Men	African American	\$46,546
	Asian Pacific American	\$1,138,979
	Hispanic American	\$1,632,993
	Native American	\$0
	Multi-Ethnic	\$76,465
	<b>Total Minority Men</b>	<b>\$2,894,983</b>
Minority Women	African American	\$503,599
	Asian Pacific American	\$1,064,161
	Hispanic American	\$795,041
	Native American	\$193
	Multi-Ethnic	\$34,997
	<b>Total Minority Women</b>	<b>\$2,397,991</b>
<b>Total Minority*</b>		<b>\$5,292,974</b>
Non-Minority Women		\$13,576,578
Non-Minority Men		\$25,565,163
Disabled Veteran		\$20,687
Lesbian, Gay, Bisexual and Transgender		\$1,381,681
Other 8(a)		\$0
<b>Total All Minority/Non-Minority</b>		<b>\$45,837,083</b>

Note: Figures provided by Majority Law Firms

\*Total Minority spend, excludes LGBT & Disabled Veteran spend

and Inclusion Committee\*, Ocean Institute\*, Kids in Need of Defense, Saving Wildlife International\*, South Asian Bar Association of North America\*, USC Board of Governors\* and USC Latino Alumni Association\*. In addition, Law Department lawyers, paralegals and staff provided pro bono legal assistance in adoption, immigration, homelessness, probate, domestic violence victim assistance and affordable housing for veterans and minorities.

SoCalGas attorneys and Law Department staff are involved in various Employee Resource Groups designed to enhance engagement and opportunity for historically underrepresented or marginalized groups.

\*SoCalGas' Law department employees are on the board or advisory members

Diverse Paralegal Work Within Majority Law Firms		Total (\$)
Minority Men	African American	\$0
	Asian Pacific American	\$638
	Hispanic American	\$0
	Native American	\$258,583
	Multi-Ethnic	\$0
<b>Total Minority Men</b>		<b>\$259,221</b>
Minority Women	African American	\$57,711
	Asian Pacific American	\$225,156
	Hispanic American	\$478,376
	Native American	\$13,115
	Multi-Ethnic	\$170,449
<b>Total Minority Women</b>		<b>\$944,807</b>
<b>Total Minority*</b>		<b>\$1,204,028</b>
<b>Non-Minority Women</b>		<b>\$213,070</b>
<b>Non-Minority Men</b>		<b>\$32,371</b>
<b>Disabled Veteran</b>		<b>\$25,376</b>
<b>Lesbian, Gay, Bisexual and Transgender</b>		<b>\$32,638</b>
<b>Other 8(a)</b>		<b>\$0</b>
<b>Total All Minority/Non-Minority</b>		<b>\$1,507,483</b>

Note: Figures provided by Majority Law Firms

\*Total Minority spend, excludes LGBT & Disabled Veteran spend

## Finance

During the year, opportunities for diverse firms were identified across a wide variety of key financial services. The financial services diverse spend results totaled \$2.3 million, with overall spending increasing compared to \$1.8 million in 2021.

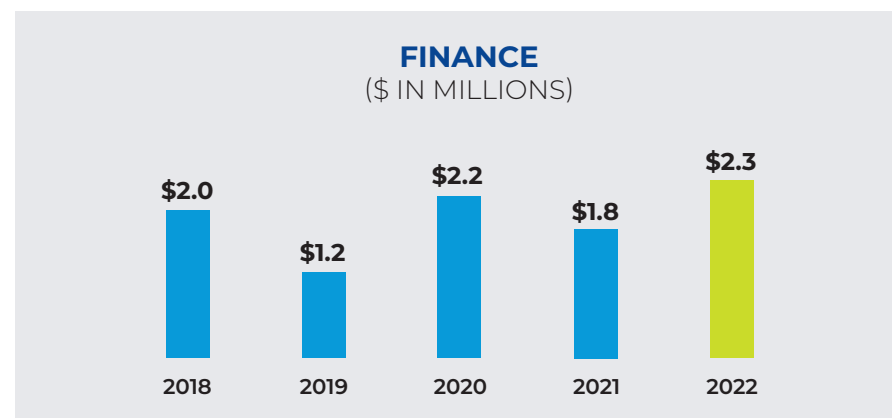
Business development activities included seeking diverse vendors and suppliers in such areas as pension and trust investments, investment banking, insurance and bonding services, cash management and audit services.

### Pension and Trust Investments

To execute trading activity for its pension fund, SoCalGas' investment managers established working relationships with five approved brokerage firms. The company's pension staff also identified diverse investment managers for potential investment opportunities.

### Outreach

Outreach activities continue to expand the diverse supplier base in the financial area. SoCalGas executives, directors and managers in Accounting and Finance frequently met with diverse financial firms to discuss business opportunities. SoCalGas monitored all relationship networks and resources to identify diverse business firms and met with at least one new firm in 2022.



# 2023

## ANNUAL PLAN

**“ As we continue to accelerate the transition to clean energy and support California’s ambitious climate goals, we will continue to build mutually enriching relationships with diverse business enterprises, who strengthen our resilience and ability to deliver on our goals every day. ”**

**Scott Drury**, CEO, SoCalGas

# 2023 ANNUAL PLAN

## 10.1.1 GOALS

SoCalGas' supplier diversity corporate goal is to meet the requirements of General Order 156. The company's internal goal is to meet or exceed 43% of total spend with diverse firms with a focus on strengthening relationships, targeting outreach and expanding its diverse supplier base. Additionally, SoCalGas has goals to increase the number of new diverse businesses in three categories with the least overall spend. In 2023, SoCalGas' internal LGBT goal is 1.0%. Based on updates to General Order 156, the company will also include spending with Persons with Disabilities business enterprises.

### PRODUCTS

	Short-Term (2023)						Mid-Term (2025)						Long-Term (2027)					
	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Total Supplier Diversity Goal
<b>Products</b>	15.00%	5.00%	1.00%	1.50%	N/A	22.50%	15.00%	5.00%	1.50%	1.50%	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	23.00%
<b>Subtotal</b>	15.00%	5.00%	1.00%	1.50%	N/A	22.50%	15.00%	5.00%	1.50%	1.50%	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	23.00%

### SERVICES

	Short-Term (2023)						Mid-Term (2025)						Long-Term (2027)					
	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Total Supplier Diversity Goal
<b>Services</b>	15.00%	5.00%	1.00%	1.50%	N/A	22.50%	15.00%	5.00%	1.50%	1.50%	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	23.00%
<b>Subtotal</b>	15.00%	5.00%	1.00%	1.50%	N/A	22.50%	15.00%	5.00%	1.50%	1.50%	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	23.00%

<b>TOTAL</b>	15.00%	5.00%	1.00%	1.50%	N/A	22.50%	15.00%	5.00%	1.50%	1.50%	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	23.00%
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N/A: No goals have been set by the CPUC for Persons with Disabilities Business Enterprises.

## 10.1.2 PLANNED ACTIVITIES

### Facilities Capital Programs

In 2022, six diverse suppliers were invited to bid on various facilities capital projects, ranging from construction of administration buildings, base renovations and sprinkler systems upgrades to branch office remodeling and sustainability initiatives, such as fuel cell and solar projects. Evaluations are ongoing and the contract award phase will be completed in 2023.

### Facilities Operations

Current and new diverse suppliers will be invited to participate in various upcoming bidding opportunities related to SoCalGas facilities operations, including its Onsite Clean Energy Plan designed to advance the company's sustainability goals. Other opportunities include emergency generators, HVAC, communication tower retrofits, uniform services, electrical upgrades at various facilities and sweeping services.

### Major Projects

In 2023, SoCalGas will invite diverse bidders for several major project opportunities, including:

- **Compressor Modernization Project**  
Diverse suppliers will continue to be included in various compressor modernization projects to support operational reliability,

modernization and construction projects. SoCalGas is committed to achieving its diverse subcontracting goal and expects diverse suppliers will be involved in such areas as demolition, inspection, painting and insulation, fire protection, electrical, pipe installation and commissioning services.

- **Pipeline Construction Project**  
The project involves replacement of existing pipeline sections to avoid farmland properties, thus enhancing safety.
- **Control Center Modernization**  
There are several RFPs associated with this project, including Gas Control Center Modernization (CCM) and Field Asset Deployment.
- **Pipeline Installation Project**  
A SoCalGas customer proposes to build a new hydrogen plant at its refinery. SoCalGas would provide transmission-level service by installing three to four miles of new pipeline extension from an existing gas transmission pipeline to a new, specially designed meter set assembly.
- **Biofuels RNG Project**  
As part of its RNG initiative, SoCalGas plans to install a Point of Receipt and a pipeline extension at an existing landfill to interconnect to an existing natural gas distribution pipeline. Diverse spend sub-contracting goal for this RFP is 43%.



“By driving competition and innovation while supporting maintenance and development of SoCalGas’ infrastructure, contributions made by diverse businesses in construction, engineering and design, inspection and other auxiliary services have led to enhanced operational efficiencies, safety improvements and outstanding customer service metrics. I’m proud to collaborate with new and existing diverse suppliers as we maintain a safe and reliable infrastructure for the communities we serve.”

**Rodger Schwecke**, SVP & Chief Infrastructure Officer, SoCalGas

## Pipeline Safety Enhancement Plan

PSEP, SoCalGas' largest natural gas pipeline testing and replacement plan in its history, has been underway for the past several years with some phases nearing completion. Participation continues with outreach events and engagement with diverse companies in construction, engineering and design, inspection and other support services. SoCalGas continues to pursue additional opportunities with diverse suppliers providing pipeline ancillary services and remains committed to achieving its 43% diverse subcontracting goal.

Phase 1B is underway and 75 out of 191 miles have been remediated (39% complete). Phase 2A, which addresses pipelines located in less populated areas, is also in progress; 212 out of 659 miles have been remediated (32% complete).

## Gas Transmission

Supplier diversity will continue to participate in planned Gas Transmission projects including:

- Valve services category plan
- Vegetation Management and Weed Abatement
- Other large projects with RFPs

## Storage

A number of RFPs in support of various activities, including Electrical System



SoCalGas sponsored the National Latina Business Women Association – Inland Empire's Latina BizCon and participated in a panel discussion on the importance of certification and matchmaking events. Above, Latina business owners receive tips from the Supplier Clearinghouse on applying for CPUC certification.

Maintenance, Paving, Road Construction and Maintenance, are in the planning phase.

## Gas Engineering Services

Supplier Diversity will be fully engaged in the RFP process and plans to introduce qualified diverse suppliers to Gas Engineering.

## Gas Distribution

The planning phase for RFPs for both the Gas Infrastructure Protection Program (GI PP) and the Residential Meter Protection Project (RMPP) is ongoing. Implementation of these services throughout SoCalGas' service area will require multiple contracts.

RFPs for paving services and Distribution Riser Inspection Project are also in planning.

## Hydrogen Projects

Partnership with the company's business units and prime suppliers continues to expand SoCalGas technical assistance in this specialized field of work. Current and planned future hydrogen projects include [H2] Innovation Experience, Angeles Link and Hydrogen Blending Demonstration.



Clean hydrogen projects, such as the recently completed [H2] Innovation Experience pictured above, aim to have a 43%-plus diverse subcontracting goal.

## INTERNAL ACTIVITIES

To build on SoCalGas' foundation of supplier diversity excellence, collaboration continues with employees, business units and departments throughout the company.

Activities in 2023 will include:

- Promoting supplier diversity through online communication, internal dialogue sessions and Supplier Diversity Champions program
- Organizing quarterly meetings to engage with Supplier Diversity Champions
- Expanding and strengthening relationships with SoCalGas' internal business units as well as promoting and increasing supplier diversity participation in the company's strategic planning efforts

- Providing opportunities for SCORE and new smaller contractors and continuing the company's mentoring efforts with diverse firms
- Evaluating the effectiveness of the company's technical assistance programs and impact of its Supplier Diversity Program in the communities SoCalGas serves
- Regular meetings with prime suppliers to monitor their diverse spend activities
- Working with Market Development and other internal groups to identify potential diverse firms that provide clean energy-related services

## EXTERNAL ACTIVITIES

SoCalGas will continue to collaborate with community partners, peer utilities and others to advance supplier diversity by:

- Expanding SCORE program opportunities to additional small diverse suppliers
- Increasing recruitment efforts of certified LGBTBEs into our supply chain through workshops and networking events
- Exploring new opportunities to recruit and develop high-capacity diverse firms in new and emerging areas such as hydrogen
- Strategically identifying and developing diverse suppliers in areas of low utilization, such as legal and financial services
- Reaching out to certified and non-certified diverse suppliers in underutilized areas and introducing them to key SoCalGas stakeholders
- Anticipating new developments in the natural gas industry and finding opportunities for diverse suppliers in RNG
- Developing and executing an outreach strategy for Persons with Disabilities-owned businesses

### 10.1.3 RECRUITMENT PLANS FOR SUPPLIERS IN UNDERUTILIZED AREAS

In 2023, SoCalGas plans to increase procurement opportunities in underutilized areas by:

- Targeting high-potential diverse firms for opportunities in new and emerging areas, such as clean hydrogen and RNG



- Expanding the pool of diverse firms positioned to secure contracts in such areas as legal and financial services
- Creating additional opportunities for company procurement agents and key decision makers to attend networking events and workshops with potential diverse contractors and subcontractors
- Increasing its presence in planning and pre-bid meetings to promote diverse supplier participation
- Targeting outreach at industry-related conferences to meet potential suppliers in underutilized areas
- Contacting diverse suppliers who are not certified and encouraging them to seek certification
- Continuing support of the Pipeline Construction Business Development Program to develop minority-owned companies in the pipeline construction services industry

## Legal

SoCalGas will identify new opportunities for diverse legal firms by expanding participation in outreach activities and bar and legal associations that promote diversity.

## Finance

Increasing opportunities for diverse suppliers in the finance area will remain a top priority at

SoCalGas. The company will continue to identify qualified diverse financial firms through outreach activities.

Plans for 2023 include investing in minority-focused community finance institutions, identifying and utilizing high-potential diverse firms to manage specialty funds. SoCalGas will continue outreach activities with qualified diverse auditing firms for specialty engagement and search for specific opportunities with majority-owned financing institutions.

### 10.1.5 SUBCONTRACTING PLANS

Enhancements to diverse subcontracting opportunities include:

- Continuing to use a subcontractor “watch list” to support prime suppliers’ subcontracting goals. Use of this list will bring attention to Supply Management of prime contractors that are not meeting their subcontracting goals and build accountability through sustained interaction around their subcontracting efforts and performance.
- Coordinating virtual and in-person meetings and networking workshops between top prime suppliers and diverse subcontractors to increase subcontracting performance
- Targeting virtual and in-person business showcases to introduce prime firms to diverse suppliers for future business

opportunities in strategic sourcing initiatives

- Utilizing an internal reporting tool to identify subcontracting opportunities and challenges
- Ensuring RFPs and final contracts contain diverse vendor subcontracting plans, and participating in planning and pre-bid meetings to promote diverse supplier participation
- Developing, implementing and monitoring diverse business sourcing plans for major capital projects
- Collaborating with Procurement to create a contractor’s checklist and managing diverse vendor subcontracting plans
- Contacting diverse subcontractors that are not certified and encouraging them to seek certification

For current and planned future clean energy projects, which include [H2] Innovation Experience, Angeles Link and Hydrogen Blending Demonstration, SoCalGas has set a 43% diverse sub-contracting goal.

### 10.1.6 PROGRAM COMPLIANCE

SoCalGas will continue efforts to meet or exceed all requirements established by General Order 156.

# 2022

## ANNUAL REPORT FUEL PROCUREMENT



# 2022

## ANNUAL REPORT

### FUEL PROCUREMENT

#### 9.1.11.A.1 MARKET ORIGIN AND FUEL TYPE

##### INTERNAL ACTIVITIES

In 2022, Gas Acquisition continued to prioritize gas procurement transactions with qualified diverse firms and remained actively involved with SoCalGas' Supplier Diversity Champions program. The Gas Acquisition team keeps Supplier Diversity and others apprised of any changing trends in natural gas procurement.

##### EXTERNAL ACTIVITIES

SoCalGas will again participate in activities to increase diverse business enterprises in the energy market. In addition, SoCalGas will continue to develop and promote a national utility supplier diversity program supported by the National Association of Regulatory Utility Commissioners.

#### 9.1.11.A.2 VOLUME AND DOLLAR MAGNITUDE

Purchases with women, minority and disabled veteran business enterprises rose due to an increase in participation. Efforts continue to maintain this momentum.

In 2022, **\$582.8 million** in SoCalGas' natural gas procurement was from diverse firms, representing **20.4%** of total natural gas purchases.

Fuels for Non-Generation Purchases		
	Dollars	Volume (Billion BTUs)
Canadian Source Natural Gas	\$80,850,388	18,035,984
Domestic On-Shore Natural Gas Purchases from Non-Diverse Suppliers	\$2,193,523,867	300,294,064
Domestic On-Shore Natural Gas Purchases from Diverse Suppliers	\$582,849,660	75,157,425
Natural Gas Purchases/Payments - Other Utilities	\$0	0
<b>Total Natural Gas Purchased</b>	<b>\$2,857,223,915</b>	<b>393,487,473</b>

Fuels for non-generation information provided is required pursuant to CPUC General Order 156, section 8.1.1

#### 9.1.11.A.4 ETHNICITY AND GENDER OF SUPPLIER

SoCalGas purchased 20.4% of its natural gas supplies from diverse firms, totaling \$582.8 million. Below is a breakdown of the company's natural gas purchases by ethnicity. Please refer to Chart Addendum A7 on page 44 for a breakdown by gender.

Natural Gas Suppliers by Ethnicity		
Federally recognized tribes (sovereign nations) and Native American-owned	\$80,511,141	2.82%
African American-owned	\$150,554,113	5.27%
Hispanic American-owned	\$48,549,897	1.70%
Asian Pacific American-owned	\$99,897,802	3.50%
Women-owned	\$76,497,289	2.68%
Disabled Veteran Business Enterprise-owned	\$126,839,418	4.44%
Lesbian, Gay, Bisexual and Transgender-owned	\$0	0.00%
<b>Total</b>	<b>\$582,849,660</b>	<b>20.40%</b>

Fuels for non-generation information provided is required pursuant to CPUC General Order 156, section 8.1.1 Dollars and Percentages reflect rounding differences

#### 9.1.11.B.1 EXISTING AND/OR CHANGING MARKET CONDITIONS

SoCalGas' commitment to identify and develop relationships with diverse suppliers remains a key priority of its natural gas procurement strategy. With implementation of Renewable Gas Standard, the company anticipates new opportunities for diverse suppliers to participate in the West Coast Market. SoCalGas remains optimistic about future and growth potential of its diverse natural gas suppliers portfolios.

#### 9.1.11.B.2 SPECIFIC OUTREACH PROGRAMS

SoCalGas' ability to expand involvement of natural gas suppliers has resulted from support and engagement of larger market participants. SoCalGas remains committed to expanding its diverse supplier portfolio and will focus on increasing participation of these suppliers in the West Coast market.

While credit continues to be a concern, participation by banking institutions, such as MUFG Union Bank (now U.S. Bank), UMB and Citizens Bank, has brought some stability back into the market. SoCalGas will continue to sponsor diverse supplier development activities as it strives to increase the number of diverse suppliers in the market.

#### 9.1.11.B.3A EXCLUSIONS OF SPECIFIC FUEL CATEGORY

Please refer to Chart Addendum A6 on page 44.

# 2023 ANNUAL PLAN FUEL PROCUREMENT

## 10.1.1 GOALS

SoCalGas remains committed to meeting the CPUC's short-, mid- and long-term goals of 23%.

## 10.1.2 PLANNED ACTIVITIES

### INTERNAL ACTIVITIES

SoCalGas' work continues to increase the company's diverse natural gas supplier base in 2023. This includes providing mentoring and other assistance to high-potential emerging suppliers. Further, SoCalGas' Gas Acquisition staff, managers and senior management will continue to collaborate with buyers and diverse firms to monitor goals and progress.

### EXTERNAL ACTIVITIES

Activities to increase participation of diverse natural gas suppliers include:

- Providing diverse firms support to access financing and credit institutions
- Working with key organizations to identify and develop diverse suppliers
- Participating in energy industry fairs to promote diverse supplier opportunities
- Reaching out to emerging diverse natural gas firms through industry and business associations
- Offering mentoring, business development and educational opportunities
- Encouraging major energy companies' participation in trading with diverse businesses
- Serving in a leadership role on the National Utilities Diversity Council

### 10.1.3 RECRUITMENT PLANS FOR SUPPLIERS IN UNDERUTILIZED AREAS

SoCalGas plans to participate in trade fairs to recruit and engage diverse suppliers in all markets and encourage them to take part in natural gas procurement programs. The company will continue to consider competitive offers from natural gas companies originating in all markets, including Canadian and offshore.



*Supplier Diversity and Supply Management staff includes (from left) Joe Chow, Vaughn Williams, Anne Muchiri, Victoria Leonido, Director of Supply Chain and Diverse Business Enterprises Lily Otieno and Jae Joo.*

### 10.1.4 PLANS FOR UNAVAILABLE SUPPLIERS

SoCalGas is working on plans to identify suppliers in areas where none are currently available.

### 10.1.5 SUBCONTRACTING PLANS

There are no subcontractor opportunities currently available.

### 10.1.6 PROGRAM COMPLIANCE

SoCalGas will continue outreach activities to diverse firms and strive to either meet or exceed all requirements established by General Order 156.

# CHART ADDENDUMS SUMMARY OF PURCHASES/CONTRACTS

## AI 9.1.2 Supplier Diversity Results by Ethnicity

		Direct	Sub	Total \$	%
Minority Male	African American	\$61,565,911	\$33,865,284	\$95,431,196	3.97%
	Asian Pacific American	\$125,470,829	\$6,132,943	\$131,603,773	5.47%
	Hispanic American	\$239,352,446	\$72,707,607	\$312,060,053	12.97%
	Native American	\$69,658,270	\$5,032,722	\$74,690,992	3.11%
	Other	\$0	\$0	\$0	0.00%
	<b>Total Minority Male</b>	<b>\$496,047,457</b>	<b>\$117,738,557</b>	<b>\$613,786,015</b>	<b>25.52%</b>
Minority Female	African American	\$28,396,078	\$4,122,999	\$32,519,078	1.35%
	Asian Pacific American	\$19,085,457	\$1,966,296	\$21,051,754	0.88%
	Hispanic American	\$18,560,434	\$29,528,807	\$48,089,242	2.00%
	Native American	\$4,449,397	\$185,254	\$4,634,651	0.19%
	Other	\$0	\$0	\$0	0.00%
	<b>Total Minority Female</b>	<b>\$70,491,367</b>	<b>\$35,803,358</b>	<b>\$106,294,726</b>	<b>4.42%</b>
<b>Total Minority Business Enterprise (MBE)</b>		<b>\$566,538,824</b>	<b>\$153,541,916</b>	<b>\$720,080,741</b>	<b>29.94%</b>
<b>Women Business Enterprise (WBE)</b>		<b>\$187,044,397</b>	<b>\$69,653,599</b>	<b>\$256,697,997</b>	<b>10.67%</b>
<b>Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)</b>		<b>\$167,957</b>	<b>\$85,574</b>	<b>\$253,532</b>	<b>0.01%</b>
<b>Disabled Veteran Business Enterprise (DVBE)</b>		<b>\$31,691,913</b>	<b>\$23,268,166</b>	<b>\$54,960,080</b>	<b>2.28%</b>
<b>Other 8(a)*</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>Total Supplier Diversity Spend</b>		<b>\$785,443,093</b>	<b>\$246,549,256</b>	<b>\$1,031,992,350</b>	<b>42.90%</b>
<b>Net Procurement**</b>		<b>\$2,405,458,473</b>			

**NOTE:**

\*Firms classified as 8(a) by Small Business Administration include non-diverse businesses

\*\* Net procurement include purchase order, non-purchase order and credit card dollars

Direct - direct procurement

Sub - subcontractor procurement

% - percentage of net procurement

Dollars and Percentages reflect rounding differences

The procurement information provided is required pursuant to CPUC General Order 156

## A2 9.1.2 Supplier Diversity Direct Procurement Results by Product and Service Categories

			Product		Services		Total	
			\$	%	\$	%	\$	%
Minority Male	African American	Direct	\$83,683	0.02%	\$61,482,228	2.99%	\$61,565,911	2.56%
	Asian Pacific American	Direct	\$15,757,477	4.50%	\$109,713,352	5.34%	\$125,470,829	5.22%
	Hispanic American	Direct	\$19,746,962	5.64%	\$219,605,485	10.68%	\$239,352,447	9.95%
	Native American	Direct	\$2,589,805	0.74%	\$67,068,465	3.26%	\$69,658,270	2.90%
	Other	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
	<b>Total Minority Male</b>	<b>Direct</b>	<b>\$38,177,927</b>	<b>10.91%</b>	<b>\$457,869,530</b>	<b>22.28%</b>	<b>\$496,047,457</b>	<b>20.62%</b>
Minority Female	African American	Direct	\$70,397	0.02%	\$28,325,682	1.38%	\$28,396,079	1.18%
	Asian Pacific American	Direct	\$1,743,800	0.50%	\$17,341,658	0.84%	\$19,085,458	0.79%
	Hispanic American	Direct	\$5,221,204	1.49%	\$13,339,230	0.65%	\$18,560,434	0.77%
	Native American	Direct	\$4,261,775	1.22%	\$187,622	0.01%	\$4,449,397	0.18%
	Other	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
	<b>Total Minority Female</b>	<b>Direct</b>	<b>\$11,297,176</b>	<b>3.23%</b>	<b>\$59,194,192</b>	<b>2.88%</b>	<b>\$70,491,368</b>	<b>2.93%</b>
<b>Total Minority Business Enterprise (MBE)</b>		<b>Direct</b>	<b>\$49,475,103</b>	<b>14.14%</b>	<b>\$517,063,722</b>	<b>25.15%</b>	<b>\$566,538,825</b>	<b>23.55%</b>
<b>Women Business Enterprise (WBE)</b>		<b>Direct</b>	<b>\$65,290,958</b>	<b>18.66%</b>	<b>\$121,753,439</b>	<b>5.92%</b>	<b>\$187,044,397</b>	<b>7.78%</b>
<b>Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)</b>		<b>Direct</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$167,958</b>	<b>0.01%</b>	<b>\$167,958</b>	<b>0.01%</b>
<b>Disabled Veteran Business Enterprise (DVBE)</b>		<b>Direct</b>	<b>\$154,035</b>	<b>0.04%</b>	<b>\$31,537,878</b>	<b>1.53%</b>	<b>\$31,691,913</b>	<b>1.32%</b>
<b>Other 8(a)*</b>		<b>Direct</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>
<b>Total Supplier Diversity Spend</b>		<b>Direct</b>	<b>\$114,920,096</b>	<b>32.84%</b>	<b>\$670,522,997</b>	<b>32.62%</b>	<b>\$785,443,093</b>	<b>32.65%</b>
<b>Total Product Procurement \$</b>			<b>\$349,925,651</b>	<b>NOTE:</b>				
<b>Total Service Procurement \$</b>			<b>\$2,055,530,623</b>	*Firms classified as 8(a) by Small Business Administration include non-diverse businesses				
<b>Total Procurement \$</b>			<b>\$2,405,458,473</b>	Sub - subcontractor procurement				
				% - percentage of net procurement				
				Dollars and Percentages reflect rounding differences				
				The procurement information provided is required pursuant to CPUC General Order 156				

### A3 9.1.2 Supplier Diversity Subcontractor Procurement Results by Product and Service Categories

			Product		Services		Total	
			\$	%	\$	%	\$	%
Minority Male	African American	Sub	\$3,303,521	0.94%	\$30,561,764	1.49%	\$33,865,285	1.41%
	Asian Pacific American	Sub	\$167,444	0.05%	\$5,965,500	0.29%	\$6,132,944	0.25%
	Hispanic American	Sub	\$6,851,380	1.96%	\$65,856,227	3.20%	\$72,707,607	3.02%
	Native American	Sub	\$13,021	0.00%	\$5,019,701	0.24%	\$5,032,722	0.21%
	Other	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
	<b>Total Minority Male</b>	<b>Sub</b>	<b>\$10,335,366</b>	<b>2.95%</b>	<b>\$107,403,192</b>	<b>5.23%</b>	<b>\$117,738,558</b>	<b>4.89%</b>
Minority Female	African American	Sub	\$0	0.00%	\$4,123,000	0.20%	\$4,123,000	0.17%
	Asian Pacific American	Sub	\$897,893	0.26%	\$1,068,404	0.05%	\$1,966,297	0.08%
	Hispanic American	Sub	\$3,328,965	0.95%	\$26,199,843	1.27%	\$29,528,808	1.23%
	Native American	Sub	\$24,919	0.01%	\$160,335	0.01%	\$185,254	0.01%
	Other	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
	<b>Total Minority Female</b>	<b>Sub</b>	<b>\$4,251,777</b>	<b>1.22%</b>	<b>\$31,551,582</b>	<b>1.53%</b>	<b>\$35,803,359</b>	<b>1.49%</b>
<b>Total Minority Business Enterprise (MBE)</b>		<b>Sub</b>	<b>\$14,587,143</b>	<b>4.17%</b>	<b>\$138,954,774</b>	<b>6.76%</b>	<b>\$153,541,917</b>	<b>6.38%</b>
<b>Women Business Enterprise (WBE)</b>		<b>Sub</b>	<b>\$20,623,676</b>	<b>5.89%</b>	<b>\$49,029,924</b>	<b>2.39%</b>	<b>\$69,653,600</b>	<b>2.90%</b>
<b>Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)</b>		<b>Sub</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$85,574</b>	<b>0.00%</b>	<b>\$85,574</b>	<b>0.00%</b>
<b>Disabled Veteran Business Enterprise (DVBE)</b>		<b>Sub</b>	<b>\$262,584</b>	<b>0.08%</b>	<b>\$23,005,582</b>	<b>1.12%</b>	<b>\$23,268,166</b>	<b>0.97%</b>
<b>Other 8(a)*</b>		<b>Sub</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>
<b>Total Supplier Diversity Spend</b>		<b>Sub</b>	<b>\$35,473,402</b>	<b>10.14%</b>	<b>\$211,075,854</b>	<b>10.27%</b>	<b>\$246,549,257</b>	<b>10.25%</b>
<b>Total Product Procurement \$</b>			<b>\$349,925,651</b>	<b>NOTE:</b> *Firms classified as 8(a) by Small Business Administration include non-diverse businesses Sub - subcontractor procurement % - percentage of net procurement Dollars and Percentages reflect rounding differences The procurement information provided is required pursuant to CPUC General Order 156				
<b>Total Service Procurement \$</b>			<b>\$2,055,530,623</b>					
<b>Total Procurement \$</b>			<b>\$2,405,458,473</b>					



## A4 9.1.2 Supplier Diversity Results by Standard Industrial Classification (SIC) Codes

SIC Category	African American		Asian Pacific American		Hispanic American		Native American		Total Minority		Minority Business Enterprise (MBE)	Women Minority Business Enterprise (WMBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Other 8(a)*	Total Supplier Diversity Spend	Total Procurement \$
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female							
23 - Apparel & Other Finished Prods Made From Fabric	-	-	-	-	-	-	-	-	-	-	-	\$79,038	-	-	-	\$79,038	\$346,001
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	22.84%	0.00%	0.00%	0.00%	22.84%	
26 - Paper & Allied Prods	-	-	-	-	\$584,157	-	-	-	\$584,157	-	\$584,157	-	-	-	-	\$584,157	\$655,589
	0.00%	0.00%	0.00%	0.00%	89.10%	0.00%	0.00%	0.00%	89.10%	0.00%	89.10%	0.00%	0.00%	0.00%	0.00%	89.10%	
28 - Chemicals & Allied Prods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$7,892,499
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
29 - Petroleum Refining & Related Industries	-	-	-	-	-	\$956,297	-	-	-	\$956,297	\$956,297	\$99,895	-	-	-	\$1,056,192	\$2,934,080
	0.00%	0.00%	0.00%	0.00%	0.00%	32.59%	0.00%	0.00%	0.00%	32.59%	32.59%	3.40%	0.00%	0.00%	0.00%	36.00%	
30 - Rubber & Misc Plastics Prods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$7,015,309
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
32 - Stone, Clay, Glass & Concrete Prods	-	-	-	\$785	-	-	-	-	-	\$785	\$785	-	-	-	-	\$785	\$1,500,701
	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.05%	0.00%	0.00%	0.00%	0.00%	0.05%	
33 - Primary Metal Industries	-	-	\$14,747,320	-	-	-	-	-	\$14,747,320	-	\$14,747,320	-	-	-	-	\$14,747,320	\$41,467,603
	0.00%	0.00%	35.56%	0.00%	0.00%	0.00%	0.00%	0.00%	35.56%	0.00%	35.56%	0.00%	0.00%	0.00%	0.00%	35.56%	
34 - Fabricated Metal Prods, Exc Machinery	-	-	\$12,300	-	\$156,347	-	-	-	\$168,647	-	\$168,647	\$5,695,606	-	-	-	\$5,864,253	\$24,831,344
	0.00%	0.00%	0.05%	0.00%	0.63%	0.00%	0.00%	0.00%	0.68%	0.00%	0.68%	22.94%	0.00%	0.00%	0.00%	23.62%	
35 - Industrial & Commercial Machinery & Computer Equip	-	-	-	-	\$1,530,843	-	\$141,501	-	\$1,672,344	-	\$1,672,344	\$1,771,598	-	-	-	\$3,443,943	\$16,736,594
	0.00%	0.00%	0.00%	0.00%	9.15%	0.00%	0.85%	0.00%	9.99%	0.00%	9.99%	10.59%	0.00%	0.00%	0.00%	20.58%	
36 - Electronic & Other Elec Equip & Components	-	-	-	-	\$235,759	\$5,855	-	-	\$235,759	\$5,855	\$241,614	\$29,537	-	-	-	\$271,151	\$16,009,818
	0.00%	0.00%	0.00%	0.00%	1.47%	0.04%	0.00%	0.00%	1.47%	0.04%	1.51%	0.18%	0.00%	0.00%	0.00%	1.69%	
37 - Transportation Equip	-	-	-	-	\$18,819,144	-	-	-	\$18,819,144	-	\$18,819,144	\$980,941	-	-	-	\$19,800,084	\$21,304,013
	0.00%	0.00%	0.00%	0.00%	88.34%	0.00%	0.00%	0.00%	88.34%	0.00%	88.34%	4.60%	0.00%	0.00%	0.00%	92.94%	
38 - Measuring, Analyzing & Controlling Instr	-	-	-	-	\$11,998	\$46,251	-	-	\$11,998	\$46,251	\$58,249	\$7,296,507	-	-	-	\$7,354,756	\$17,602,714
	0.00%	0.00%	0.00%	0.00%	0.07%	0.26%	0.00%	0.00%	0.07%	0.26%	0.33%	41.45%	0.00%	0.00%	0.00%	41.78%	
39 - Misc Manufacturing Industries	-	-	\$13,603	-	-	\$352,337	-	-	\$13,603	\$352,337	\$365,940	-	-	-	-	\$365,940	\$1,689,641
	0.00%	0.00%	0.81%	0.00%	0.00%	20.85%	0.00%	0.00%	0.81%	20.85%	21.66%	0.00%	0.00%	0.00%	0.00%	21.66%	

#### A4 9.1.2 Supplier Diversity Results by Standard Industrial Classification (SIC) Codes (CONTINUED)

SIC Category	African American		Asian Pacific American		Hispanic American		Native American		Total Minority		Minority Business Enterprise (MBE)	Women Minority Business Enterprise (WMBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Other 8(a)*	Total Supplier Diversity Spend	Total Procurement \$
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female							
50 - Wholesale Trade; Durable Goods	\$3,062,665	-	\$1,151,698	\$2,640,908	\$1,604,748	\$7,125,791	\$2,461,326	\$4,286,694	\$8,280,436	\$14,053,393	\$22,333,829	\$17,304,214	-	\$26,709	-	\$39,664,752	\$104,432,355
	2.93%	0.00%	1.10%	2.53%	1.54%	6.82%	2.36%	4.10%	7.93%	13.46%	21.39%	16.57%	0.00%	0.03%	0.00%	37.98%	
51 - Wholesale Trade; Nondurable Goods	\$324,539	\$65,297	-	-	\$3,231,518	-	-	-	\$3,556,057	\$65,297	\$3,621,354	\$47,677,932	-	\$235,875	-	\$51,535,161	\$69,758,690
	0.47%	0.09%	0.00%	0.00%	4.63%	0.00%	0.00%	0.00%	5.10%	0.09%	5.19%	68.35%	0.00%	0.34%	0.00%	73.88%	
52 - Bldg Mtls, Hardware, Garden Supply	-	-	-	-	\$5,706	-	-	-	\$5,706	-	\$5,706	\$7,176	-	-	-	\$12,882	\$856,475
	0.00%	0.00%	0.00%	0.00%	0.67%	0.00%	0.00%	0.00%	0.67%	0.00%	0.67%	0.84%	0.00%	0.00%	0.00%	1.50%	
55 - Automotive Dlr's & Gasoline Service Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$8,185,703
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
57 - Home Furniture, Furnishings & Equip Stores	-	-	-	-	-	-	-	-	-	-	-	\$4,137	-	-	-	\$4,137	\$31,216
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	13.25%	0.00%	0.00%	0.00%	13.25%	
58 - Eating & Drinking Places	-	\$5,100	-	-	-	-	-	-	-	\$5,100	\$5,100	\$90,372	-	-	-	\$95,473	\$500,926
	0.00%	1.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.02%	1.02%	18.04%	0.00%	0.00%	0.00%	19.06%	
59 - Misc Retail	-	-	-	-	\$418,122	\$63,638	-	-	\$418,122	\$63,638	\$481,760	\$4,877,682	-	\$154,035	-	\$5,513,476	\$6,174,378
	0.00%	0.00%	0.00%	0.00%	6.77%	1.03%	0.00%	0.00%	6.77%	1.03%	7.80%	79.00%	0.00%	2.49%	0.00%	89.30%	
Total Products Procurement	\$3,387,204	\$70,397	\$15,924,921	\$2,641,693	\$26,598,342	\$8,550,169	\$2,602,827	\$4,286,694	\$48,513,294	\$15,548,952	\$64,062,246	\$85,914,634	-	\$416,619	-	\$150,393,498	\$349,925,651
	0.97%	0.02%	4.55%	0.75%	7.60%	2.44%	0.74%	1.23%	13.86%	4.44%	18.31%	24.55%	0.00%	0.12%	0.00%	42.98%	

**Total Product Procurement \$**

**\$349,925,651**

**NOTE:**

\*Firms classified as 8(a) by Small Business Administration include non-diverse businesses

\*\* Net procurement include purchase order, non-purchase order and credit card dollars

Direct - direct procurement

Sub - subcontractor procurement

% - percentage of net procurement

Dollars and Percentages reflect rounding differences

The procurement information provided is required pursuant to CPUC General Order 156

**Total Service Procurement \$**

**\$2,055,530,623**

**Net Procurement\*\***

**\$2,405,456,273**

## A5 9.1.2 Supplier Diversity Results by Standard Industrial Classification (SIC) Codes

SIC Category	African American		Asian Pacific American		Hispanic American		Native American		Total Minority		Minority Business Enterprise (MBE)	Women Minority Business Enterprise (WMBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Other 8(a)*	Total Supplier Diversity Spend	Total Procurement \$
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female							
07 - Agricultural Svcs	-	\$50,775	-	-	\$714,308	-	-	-	\$714,308	\$50,775	\$765,083	\$342,926	-	-	-	\$1,108,009	\$2,431,248
	0.00%	2.09%	0.00%	0.00%	29.38%	0.00%	0.00%	0.00%	29.38%	2.09%	31.47%	14.10%	0.00%	0.00%	0.00%	45.57%	
13 - Oil & Gas Extraction	-	-	-	\$9,879,620	-	\$676,087	\$10,431,690	-	\$10,431,690	\$10,555,707	\$20,987,397	\$262,183	-	-	-	\$21,249,579	\$133,276,401
	0.00%	0.00%	0.00%	7.41%	0.00%	0.51%	7.83%	0.00%	7.83%	7.92%	15.75%	0.20%	0.00%	0.00%	0.00%	15.94%	
15 - Bldg Const-General Contractors & Operations	\$1,512,038	-	\$3,837,671	-	\$26,621,332	-	\$25,533,902	\$157,500	\$57,504,943	\$157,500	\$57,662,443	\$9,836,014	-	\$17,204,884	-	\$84,703,340	\$99,964,159
	1.51%	0.00%	3.84%	0.00%	26.63%	0.00%	25.54%	0.16%	57.53%	0.16%	57.68%	9.84%	0.00%	17.21%	0.00%	84.73%	
16 - Heavy Const Other Than Bldg Const-Contract	-	-	\$342,512	-	\$114,563,953	\$9,968,419	-	\$2,835	\$114,906,465	\$9,971,254	\$124,877,719	\$7,096,272	-	\$30,909,160	-	\$162,883,151	\$445,104,158
	0.00%	0.00%	0.08%	0.00%	25.74%	2.24%	0.00%	0.00%	25.82%	2.24%	28.06%	1.59%	0.00%	6.94%	0.00%	36.59%	
17 - Const-Special Trade Contractors	\$5,087,657	-	\$7,701,634	\$447,336	\$32,826,445	\$1,723,327	\$11,550,434	\$100,726	\$57,166,171	\$2,271,389	\$59,437,560	\$47,940,148	\$90,737	\$787,459	-	\$108,255,904	\$265,518,044
	1.92%	0.00%	2.90%	0.17%	12.36%	0.65%	4.35%	0.04%	21.53%	0.86%	22.39%	18.06%	0.03%	0.30%	0.00%	40.77%	
27 - Printing, Publishing & Allied Industries	-	-	-	-	\$16,145	-	-	-	\$16,145	-	\$16,145	\$1,294,396	-	-	-	\$1,310,541	\$3,798,967
	0.00%	0.00%	0.00%	0.00%	0.42%	0.00%	0.00%	0.00%	0.42%	0.00%	0.42%	34.07%	0.00%	0.00%	0.00%	34.50%	
42 - Motor Freight Transportation & Warehousi	\$680,122	\$1,405,362	-	\$70,669	\$11,422,610	\$16,005,836	-	-	\$12,102,732	\$17,481,867	\$29,584,599	\$9,008,608	-	-	-	\$38,593,207	\$43,605,347
	1.56%	3.22%	0.00%	0.16%	26.20%	36.71%	0.00%	0.00%	27.76%	40.09%	67.85%	20.66%	0.00%	0.00%	0.00%	88.51%	
45 - Transportation By Air	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$36,370
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
47 - Transportation Svcs	\$3,905,307	-	-	-	-	\$29,650	-	-	\$3,905,307	\$29,650	\$3,934,957	-	-	-	-	\$3,934,957	\$5,027,085
	77.69%	0.00%	0.00%	0.00%	0.00%	0.59%	0.00%	0.00%	77.69%	0.59%	78.28%	0.00%	0.00%	0.00%	0.00%	78.28%	
48 - Communications	-	-	-	-	-	-	-	-	-	-	-	\$11,117,973	-	-	-	\$11,117,973	\$12,277,965
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	90.55%	0.00%	0.00%	0.00%	90.55%	
49 - Electric, Gas & Sanitary Svcs	\$2,804,821	-	-	-	\$17,228,341	\$637,383	-	-	\$20,033,161	\$637,383	\$20,670,544	\$63,225	-	-	-	\$20,733,769	\$27,222,227
	10.30%	0.00%	0.00%	0.00%	63.29%	2.34%	0.00%	0.00%	73.59%	2.34%	75.93%	0.23%	0.00%	0.00%	0.00%	76.16%	
60 - Depository Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$1,712,622
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
61 - Nondepository Credit Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$62,698
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

## A5 9.1.2 Supplier Diversity Results by Standard Industrial Classification (SIC) Codes (CONTINUED)

SIC Category	African American		Asian Pacific American		Hispanic American		Native American		Total Minority		Minority Business Enterprise (MBE)	Women Minority Business Enterprise (WMBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Other 8(a)*	Total Supplier Diversity Spend	Total Procurement \$
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female							
62 - Security & Commodity Brokers, Dirs, Exch	\$210,000	-	-	-	\$294,000	-	-	-	\$504,000	-	\$504,000	-	-	\$3,775	-	\$507,775	\$20,644,527
	1.02%	0.00%	0.00%	0.00%	1.42%	0.00%	0.00%	0.00%	2.44%	0.00%	2.44%	0.00%	0.00%	0.02%	0.00%	2.46%	
64 - Insurance Agents, Brokers & Service	-	-	-	-	\$749	\$44,153	-	-	\$749	\$44,153	\$44,902	\$195,641	-	-	-	\$240,543	\$240,543
	0.00%	0.00%	0.00%	0.00%	0.31%	18.36%	0.00%	0.00%	0.31%	18.36%	18.67%	81.33%	0.00%	0.00%	0.00%	100.00%	
65 - Real Estate	\$2,585,572	-	-	-	\$72,678	-	-	-	\$2,658,250	-	\$2,658,250	\$149,088	-	-	-	\$2,807,338	\$6,204,441
	41.67%	0.00%	0.00%	0.00%	1.17%	0.00%	0.00%	0.00%	42.84%	0.00%	42.84%	2.40%	0.00%	0.00%	0.00%	45.25%	
73 - Business Svcs	\$56,334,117	\$23,000,712	\$41,591,800	\$4,927,053	\$26,501,756	\$5,517,200	\$23,868,698	\$86,896	\$148,296,371	\$33,531,861	\$181,828,232	\$35,575,254	-	\$2,809,419	-	\$220,212,905	\$484,353,944
	11.63%	4.75%	8.59%	1.02%	5.47%	1.14%	4.93%	0.02%	30.62%	6.92%	37.54%	7.34%	0.00%	0.58%	0.00%	45.47%	
75 - Automotive Repair, Svcs & Parking	\$7,975,560	-	-	-	\$8,782,741	\$293,156	-	-	\$16,758,302	\$293,156	\$17,051,457	\$71,034	-	-	-	\$17,122,491	\$25,443,676
	31.35%	0.00%	0.00%	0.00%	34.52%	1.15%	0.00%	0.00%	65.86%	1.15%	67.02%	0.28%	0.00%	0.00%	0.00%	67.30%	
76 - Misc Repair Svcs	-	-	\$44,061	-	-	-	-	-	\$44,061	-	\$44,061	\$143,924	-	-	-	\$187,985	\$1,600,683
	0.00%	0.00%	2.75%	0.00%	0.00%	0.00%	0.00%	0.00%	2.75%	0.00%	2.75%	8.99%	0.00%	0.00%	0.00%	11.74%	
80 - Health Svcs	-	-	-	\$1,006,662	\$39,426	-	-	-	\$39,426	\$1,006,662	\$1,046,088	\$5,226	-	-	-	\$1,051,314	\$1,908,017
	0.00%	0.00%	0.00%	52.76%	2.07%	0.00%	0.00%	0.00%	2.07%	52.76%	54.83%	0.27%	0.00%	0.00%	0.00%	55.10%	
81 - Legal Svcs	\$67,182	\$485,418	\$321,857	\$80,321	\$481,133	-	-	-	\$870,172	\$565,739	\$1,435,911	\$661,942	-	-	-	\$2,097,853	\$55,428,175
	0.12%	0.88%	0.58%	0.14%	0.87%	0.00%	0.00%	0.00%	1.57%	1.02%	2.59%	1.19%	0.00%	0.00%	0.00%	3.78%	
87 - Engrg, Accounting, Research, Mgmt & Rela	\$10,881,615	\$6,884,680	\$61,791,888	\$1,491,336	\$45,767,364	\$908,473	\$703,442	-	\$119,144,310	\$9,284,489	\$128,428,798	\$36,373,955	\$112,744	\$1,594,875	-	\$166,510,372	\$370,932,207
	2.93%	1.86%	16.66%	0.40%	12.34%	0.24%	0.19%	0.00%	32.12%	2.50%	34.62%	9.81%	0.03%	0.43%	0.00%	44.89%	
89 - Svcs, Not Elsewhere Classified	-	\$621,734	\$47,429	\$507,065	\$128,730	\$3,735,392	-	-	\$176,159	\$4,864,190	\$5,040,350	\$10,645,555	\$50,051	\$1,233,889	-	\$16,969,845	\$48,737,116
	0.00%	1.28%	0.10%	1.04%	0.26%	7.66%	0.00%	0.00%	0.36%	9.98%	10.34%	21.84%	0.10%	2.53%	0.00%	34.82%	
Total Services Procurement	\$92,043,992	\$32,448,682	\$115,678,852	\$18,410,062	\$285,461,712	\$39,539,073	\$72,088,166	\$347,957	\$565,272,721	\$90,745,774	\$656,018,495	\$170,783,363	\$253,532	\$54,543,461	-	\$881,598,852	\$2,055,530,623
	4.48%	1.58%	5.63%	0.90%	13.89%	1.92%	3.51%	0.02%	27.50%	4.41%	31.91%	8.31%	0.01%	2.65%	0.00%	42.89%	

<b>Total Product Procurement \$</b>	<b>\$349,925,651</b>
<b>Total Service Procurement \$</b>	<b>\$2,055,530,623</b>
<b>Net Procurement**</b>	<b>\$2,405,456,273</b>

**NOTE:**  
 \*Firms classified as 8(a) by Small Business Administration include non-diverse businesses  
 \*\* Net procurement include purchase order, non-purchase order and credit card dollars  
 Direct - direct procurement  
 Sub - subcontractor procurement  
 % - percentage of net procurement  
 Dollars and Percentages reflect rounding differences  
 The procurement information provided is required pursuant to CPUC General Order 156

## A6 9.1.2 Number of Diverse Suppliers and Revenue Reported to the Supplier Clearinghouse

#	Data on Number of Suppliers											
	Revenue Reported to CHS						Utility-Specific Summary					
	DVBE	MBE	LGBTBE	WBE	Other 8(a)*	Total	DVBE	MBE	LGBTBE	WBE	Other 8(a)*	Total
Under \$1M or Unknown	32	154	2	78	0	266	27	250	4	148	0	429
Under \$5 million	0	70	1	42	0	113	3	60	0	34	0	97
Under \$10 million	0	24	1	30	0	55	0	9	0	15	0	24
Above \$10 million	0	94	0	50	0	144	2	23	0	3	0	28
<b>TOTAL</b>	<b>32</b>	<b>342</b>	<b>4</b>	<b>200</b>	<b>0</b>	<b>578</b>	<b>32</b>	<b>342</b>	<b>4</b>	<b>200</b>	<b>0</b>	<b>578</b>

\$	Revenue and Payment Data											
	Revenue Reported to CHS						Utility-Specific Summary					
	DVBE	MBE	LGBTBE	WBE	Other 8(a)*	Total	DVBE	MBE	LGBTBE	WBE	Other 8(a)*	Total
Under \$1M or Unknown	0	25	0	17	0	42	5	48	0.3	21	0	75
Under \$5 million	0	189	2	100	0	291	6	139	0	91	0	236
Under \$10 million	0	179	5	212	0	396	0	73	0	103	0	176
Above \$10 million	0	35,486	0	6,675	0	42,162	44	460	0	41	0	545
<b>TOTAL</b>	<b>0</b>	<b>35,879</b>	<b>7</b>	<b>7,004</b>	<b>0</b>	<b>42,890</b>	<b>55</b>	<b>720</b>	<b>0.3</b>	<b>257</b>	<b>0</b>	<b>1,032</b>

**NOTE:**

\*Firms classified as 8(a) by Small Business Administration include non-diverse businesses

CHS: Supplier Clearinghouse

Dollars and Percentages reflect rounding differences

The procurement information provided is required pursuant to CPUC General Order 156

## WORKFORCE AND BOARD DIVERSITY

As of December 31, 2022, SoCalGas' workforce included 27% women and 73% people of color. The SoCalGas Board of Directors consisted of four members, including two women and one person of color.

## A7 9.1.11 Annual Energy Results in Fuel Procurement

Product <sup>1</sup>			Results by Ethnicity and Gender														Results by Certification				Total Supplier Diversity Spend	Total Procurement Spend		
			Asian Pacific American			African American			Hispanic American			Native American			Other Minority <sup>2</sup>		Minority Business Enterprise (MBE)	Women Business Enterprise (WMBE)	Disabled Veteran Business Enterprise (DVBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)				
			Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female							Total	
NATURAL GAS	Short-term	\$	\$-	\$20,705,748	\$20,705,748	\$43,723,814	\$6,037,237	\$49,761,051	\$37,933,699	\$10,616,198	\$48,549,897	\$40,223,777	\$40,287,365	\$80,511,141	\$-	\$-	\$-	\$199,527,837	\$24,618,924	\$74,960,881	\$-	\$299,107,641	\$1,245,360,494	
		%	0.0%	1.7%	1.7%	3.5%	0.5%	4.0%	3.0%	0.9%	3.9%	3.2%	3.2%	6.5%	0.0%	0.0%	0.0%	16.0%	2.0%	6.0%	0.0%	24.0%		
	Long-term	\$	\$-	\$79,192,054	\$79,192,054	\$51,587,370	\$49,205,693	\$100,793,062	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$179,985,117	\$51,878,365	\$51,878,537	\$-	\$283,742,019	\$1,611,863,421	
		%	0.0%	4.9%	4.9%	3.2%	3.1%	6.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.2%	3.2%	3.2%	0.0%	17.6%		
	Total Natural Gas	\$	\$-	\$99,897,802	\$99,897,802	\$95,311,184	\$55,242,929	\$150,554,113	\$37,933,699	\$10,616,198	\$48,549,897	\$40,223,777	\$40,287,365	\$80,511,141	\$-	\$-	\$-	\$379,512,953	\$76,497,289	\$126,839,418	\$-	\$582,849,660	\$2,857,223,916	
		%	0.0%	3.5%	3.5%	3.3%	1.9%	5.3%	1.3%	0.4%	1.7%	1.4%	1.4%	2.8%	0.0%	0.0%	0.0%	13.3%	2.7%	4.4%	0.0%	20.4%		
LPG	Short-term	\$	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	
		%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Long-term	\$	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
		%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Total Natural Gas	\$	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
		%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Overall Total \$		\$	\$-	\$99,897,802	\$99,897,802	\$95,311,184	\$55,242,929	\$150,554,113	\$37,933,699	\$10,616,198	\$48,549,897	\$40,223,777	\$40,287,365	\$80,511,141	\$-	\$-	\$-	\$379,512,953	\$76,497,289	\$126,839,418	\$-	\$582,849,660	\$2,857,223,916	
Overall Total %		%	0.0%	3.5%	3.5%	3.3%	1.9%	5.3%	1.3%	0.4%	1.7%	1.4%	1.4%	2.8%	0.0%	0.0%	0.0%	13.3%	2.7%	4.4%	0.0%	Overall WMDVLGBTBE%: 20.4%		

**NOTE:**

Short-term: The term of the deal is no longer than one calendar month

Long-term: The term of the deal is greater than one calendar month but less than one calendar year

<sup>1</sup> Excludes purchases from the CAISO, other IOUs, utilities, federal entities, state entities, municipalities and cooperatives

<sup>2</sup> Includes non-diverse firms classified as 8(a) by Small Business Administration

Dollars and Percentages reflect rounding difference

The procurement information provided is required pursuant to CPUC General Order 156





SoCalGas® Supplier Diversity Program  
**vendorrelations@socalgas.com**

For more information, visit **[socalgas.com/SupplierDiversity](https://socalgas.com/SupplierDiversity)**

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